MeNATIONAL UNDERWRITER



and furnishings than to the house. This is a common experience in home fires.

(Incidentally, any agent or broker representing the Aetna Fire Group will be glad to give you a Residence Inventory booklet on request).

they can never become liable for assessment.

This advertisement is one of a series by the Aetna Fire Group to acquaint the public with the advantages of purchasing insurance through local agents and brokers of capital stock insurance companies.

Don't Guess About Insurance-CONSULT YOUR LOCAL AGENT OR BROKER



carrying.

covering to their amazement they

needed several thousand dollars

more insurance on household effects

than the \$2,000 they had been

In fact, they later found the fire had

done far more damage to furniture

HARTFORD, CONNECTICUT

NEW YORK . CHICAGO . SAN FRANCISCO . CHARLOTTE N. C. . TORONTO CAN.





Oldest and Largest Insurers of Automobiles Exclusively

AMERICAN AUTOMOBILE INSURANCE COMPANY

ORGANIZED 1911

ST. LOUIS, MISSOURI

NATIONWIDE BRANCH OFFICE FACILITIES

ATLANTA • BALTIMORE • BOSTON • CHICAGO • CINCINNATI • CLEVELAND • DETROIT INDIANAPOLIS • KANSAS CITY • LOS ANGELES • MILWAUKEE • MINNEAPOLIS NEW ORLEANS • NEW YORK • PHILADELPHIA • PITTSBURGH • SAN FRANCISCO • SEATTLE



PHOTO BY GENDREA

TEAMWORK—with the accent on 'WORK'

You can hitch up the best-looking team in the county but if you can't get it to work you're just wasting time. In teamwork the accent is on "work"—not on the looks or the size of your horses or their records as individual performers.

To us "teamwork" means pulling together with our agents to produce results. It means working toward a common goal of more and better business. It means eliminating every non-essential in company-agency relationships and concentrating only on productive activities. In four words: It means common sense!

We must all—companies and agencies alike—face the fact that business is not as easy to get as it once was. We must recognize that the success of our combined interests depends in large measure on the success with which we combine our business-getting efforts.

The three companies in The London Assurance Group have made progress in good times and bad simply because they believed their most important job was to "help agents help themselves." That one phrase has become more than a slogan. It has become a business principle.

Why not write today to learn what helpful cooperation and common sense teamwork can mean to you as a representative of The London Assurance, The Manhattan Fire and Marine or The Union Fire, Accident and General Insurance Company!

THE LONDON ASSURANCE GROUP

THE LONDON ASSURANCE • THE MANHATTAN FIRE AND MARINE

THE UNION FIRE, ACCIDENT AND GENERAL





. . . OUT of stores, theatres, restaurants, amusement centers and away from Football Games, Fairs and other enterprises that mean **income** to local merchants and business men. Rain ruins business; drowns expected profits. Only Rain Insurance is "Rainproof" against loss. Have you told your clients about this modern "Insurance Umbrella"? Write in for sales ideas and a **complete** list of Rain Insurance prospects.



PENNSYLVANIA FIRE INSURANCE COMPANY

Writing Fire and All Kindred Lines



NEWSPAPER INSURANCE

TheNATIONAL UNDERWRITER

Forty-third Year-No. 36

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, SEPTEMBER 7, 1939

\$4.00 Per Year, 20 Cents a Copy

Marine War Rates Trebled, Further **Increases Expected**

Changes Were Made Saturday and Then Came Other Revisions Tuesday

NEW YORK-The majority of cargo war risk rates were trebled last Saturday. Shipments confined to the western hemisphere or shipments on vessels under the American flag, not touching European ports or going through the Mediterranean were the only ones unchanged. These new rates were announced before the formal declaration of war by Great Britain and France.

Much Activity in Cargo

At the end of last week, there was considerable activity in cargo war risk insurance and many inquiries as to war risk hull rates, but no actual binding of hull insurance was reported. It was suggested that owners of ships of cersuggested that owners of ships of certain classes do not want to take on the expense of war risk insurance unless they are forced to by competition of owners of other vessels of the same class. American Marine Insurance Syndicate "C" is writing war risk insurance on American hulls on American hulls.

A new schedule of war risk rates on

marine vessels was made effective Sept. 5, which completely revised the rating set-up for the western hemisphere and increased rates in European waters as much as 300 percent or eliminated them

Baltic Sea cover is out. Italy's declaration of neutrality had the effect of easing Mediterranean rate in creases

easing Mediterranean rate increases somewhat. Shipments by German or Italian vessels are still excluded.

Reports from England are that the British pool rates to the United Kingdom have been withheld and the pool has been discontinued.

Three Rate Groupings

Three rate groupings are now set up in the western hemisphere: (1) United States and Latin America vessels, (2) other neutral vessels, (3) British, French and Polish vessels. In addition, three types of voyages rates are promulgated, with rates for travel to and from Ca-nadian ports being 200 to 300 percent higher—with the exception of British, French and Polish vessels—than to other parts of the hemisphere. British, French, and Polish vessels rates are from 200 to 300 percent higher than other rates for travel in the western hemisphere.

Rates to the East and Far East have been raised approximately 300 percent, whether via Suez, the Cape of Good Hope, Panama Canal or Transpacific.

Rates on Spain have been raised from 50 percent to 75 percent of cargo rates. These new rates are expected to stand for a time, it is reported, barring unexpected developments.

Detailed Program for **Boston Convention Given**

Mallalieu Added as Speaker-"Ad" Men Stage "Information Please" Skit

In spotlighting the completed tenta-tive program for the Boston convention Oct. 2-6 of the National Association of Insurance Agents, several lately included features are announced which have not been available for publication previously. These include an address by W. E. Mallalieu, general manager of the National Board; the addition of Stuart Ragland of Richmond and R. M. L. Carson of Glens Falls, N. Y., as chairmen, in the round table discussion, and the participation of the Insurance Advertising Conference in the general convention sessions. features are announced which have not

Mr. Mallalieu will address the Thursday afternoon meeting of the conven-tion. His subject will be "Why Not?"

Topics of Ragland, Carson

The addition of Messrs. Ragland and Carson to the joint luncheon and round Carson to the joint function and round table discussions for state association officers and national councillors Tuesday presages one of the best meetings ever for this group. Mr. Ragland, president of the Virginia association, will lead a discussion of "State Association Presidents" at his table. Under the wing of Mr. Carson, president of the New York. Mr. Carson, president of the New York state association, "State Association Legislative Activities" will be taken up.

The Insurance Advertising Conference will present, in addition to three of its representatives at the group sessions

its representatives at the group sessions on agency management and operation, an "Information Please" program.

Harold Taylor, advertising manager American of Newark, will be the I. A. C.'s representative at the group 1 session led by H. Donald Holmes of Summit, N. J. Mr. Taylor will lead a discussion of modern methods of advertising and the most effective type for the average agency at this meeting, which is to be attended by agents producing up to \$100,000 in annual premiums.

to \$100,000 in annual premiums.

For group 2, over which John W.
Carswell of Savannah, Ga., will preside,
David C. Gibson, vice-president and
manager of advertising for Maryland Casualty, will take up methods of adver-tising—newspaper, radio, automobile, billboard, direct mail—and the relative cost compared with premium income. This session is to be attended by agents producing from \$100,000 to \$300,000 in

annual premiums.
Ralph W. Bugli, advertising counsel for London Assurance, will talk over advertising problems at the group 3 meeting, for agents producing over \$300,-000 in annual premiums. L. C. mann of Milwaukee will preside.

SKIT BY I. A. C.

Insurance Advertising Conference will present at the Oct. 4 session of the National Association of Insurance Agents Boston convention an formation Please" program w which

(CONTINUED ON PAGE 17)

Awards for Attendance to Be Made at Each Session

The program for the annual conven-tion of the National Association of Insurance Agents in Boston, Oct. 2-5, is announced this week in detail. announced this week in detail. Registration takes place in the lobby of the Statler Hotel. Admission to all sessions will be by official badge issued only to registrants. Tickets to the get together dinner and entertainment events are issued only to registrants. The registration fee is applicable to all attendants except visiting ladies.

Awards for prompt and continuing attendance will be made at each session.

tendance will be made at each session. Reports of standing and special committees will not be read at the main convention sessions. They will be printed and made available by Tuesday. Should any committee desire to present some phase of its work to the convention, time will be made available at one of the convention sessions. All meetings will be held at the Hotel Statler.

Saturday, Sept. 30

9 a. m.—Meeting of national executive committee, parlors B and C, mezzanine

9 a. m.—Meeting of national executive committee, parlors B and C, mezzanine

9:30 a.m.—Meeting of national executive committee, parlors B and C, mezza-

m.—Continuation of meeting of

nine noor.

2 p. m.—Continuation of meeting of national executive committee.

2 p. m.—Meeting of executive secretaries and managers of state associations and local boards, parlors D and E, mezzanine.

Tuesday, Oct. 3

Tuesday, Oct. 3

9:30 a. m.—National Councillors Territorial Conferences. All agents are welcome but only authorized representatives of the states are eligible to vote. Eastern territory, parlor A, mezzanine, Edwin J. Cole, Fall River, Mass., past national president, presiding.

Southern territory, Hancock room, mezzanine, McAlister Carson, Charlotte, N. C., presiding.

Middle western territory, parlor B, mezzanine, George W. Carter, Detroit, presiding.

residing. Far western territory, parlor E, mez-anine, Donald B. Goldsmith, San Diego,

zanine, Donald B. Goldsmith, San Diego, Cal., presiding.

12:15 p.m.—Advisory committee luncheon, parlor D. mezzanine, Charles F. Liscomb, Duluth, chairman, presiding.

12:15 p. m.—Joint luncheon and round table discussions for state association officers and national councillors, Georgian room, mezzanine, Sidney O. Smith, Gainesville, Ga., chairman, national executive committee, presiding.

Round table discussion subjects and chairmen will be:

Membership, James M. Crosby, Jr., Grand Rapids, Mich., chairman membership committee.

Grand Rapids, Mich., chairman member-ship committee.

Duties, state association voluntary sec-retary-treasurers, Ed. H. Moore, Bir-mingham, Ala., Secretary Alabama As-sociation of Insurance Agents.

(CONTINUED ON PAGE 12)

New War Risk Form, War Sabotage Cover Placed on Market

Expect Broadening of Extended Cover to Include Sabotage

NEW YORK-Action by the various fire insurance jurisdictional bodies to approve a new vandalism and malicious mischief endorsement to the extended coverage endorsement, including sabotage by secret agents of foreign governments, is expected soon following promulgation of a similar endorsement for riot and civil commotion policies and a new war risk and bombardment policy by the Explosion Conference.

by the Explosion Conference.

The new forms are effective in all states except Washington, Oregon and Virginia. Filings are being made in those states. The war risk and bombardment policy may be written only on property within the United States and covers actual war hazards, while the sabotage hazard is placed under riot and civil commotion and vandalism insurance. W. F. Roembke, manager Explosion Conference, explained in a bulletin that this course was believed desirable because the present vandalism sirable because the present vandalism and malicious mischief endorsement to and mancious mischief endorsement to the riot policy covers all forms of sa-botage except that connected with war and that to divide the vandalism cover-age into that warlike and non-warlike in origin would place the burden on the assured to prove the exact cause of a sabotage loss.

Divisions of War Policy

The standard war risk and bombard-The standard war risk and bombardment policy, which has been under consideration by a special committee of the Explosion Conference for some time, is similar in form to the new New York standard fire policy. The insuring clause has seven sections, (1) war, whether declared or not; (2) invasion; (3) civil war, insurrection, rebellion, revolution; (4) military or usurped power; (5) war, insurrection, rebellion, revolution;
(4) military or usurped power; (5)
bombardment, naval or military; (6)
aerial craft (hostile or otherwise) while
engaged in actual war service during
war times, including bombs, shells or
missiles dropped or thrown therefrom
or discharged thereat, (7) fire or explosion caused by any of the foregoing,
whether originating on the premises or
elsewhere and by removal from premises endangered by the perils.

The war risk policy excludes burglary,
robbery, theft or larceny and loss caused
by pillage or looting unless it occurs
at the insured premises as a result of
an insured hazard and loss from confiscation, naturalization, expropriation, req-

an insured hazard and loss from conhi-cation, naturalization, expropriation, req-uisition, commandeering, capture, seiz-ure, sequestration or detention by or under the order of any government or political subdivision of the country or state in which the property is situated. It also excludes "loss caused by clan-

(CONTINUED ON PAGE 38)

President Menn Is Seeing Brighter Day

Finds That the Insurance People Are Working More **Closely Together**

BELLINGHAM, WASH.—W. H. Menn of Los Angeles, president National Association of Insurance Agents, spoke before the annual meeting of the Washington Insurance Agents League on "Organization and the Need for Solidarity." on "Orga Solidarity.

Solidarity."

Referring to the critical European situation, Mr. Menn said minor incidents in insurance have been allowed to reach controversial stages, far beyond their true importance. There should never be, in his opinion, any problem in insurance too big for all to solve over the conference tables. There are usually two sides to every question and sometwo sides to every question and somewhere in between there is a middle ground called "a meeting of the minds," he added. is a middle meeting of the

Must Not Close the Door

There are unsolved problems in insurance. Appeasement will not be attained by closing the door to the conference by closing the door to the conference room before the meeting begins. There is no place in insurance, he emphasized, for high-minded, dictatorial, holier than thou viewpoints. There has gradually developed over the years a closer, more intimate, friendly and trustworthy esprit de corps on the part of companies and agents. The National Association of Insurance Agents, he said, has played no small part in bringing about this situation. When both parties enter negotiation. When both parties enter negotiations with a reciprocal feeling of trust and good will, he declared, there is bound to be a meeting of minds before the conference is ended. He wonders whether this way might not appropriately be designed as the era of good feeling in insurance. There is a noticeable trend toward solidarity within the ranks of the entire insurance industry. On at least two occasions durates industry. On at least two occasions durindustry. On at least two occasions during the last session of Congress, he said, there was a remarkable display of effective solidarity between the companies and agents united in a joint enterprise. The first was the attempt to make every local agent on a commission basis an employe within the meaning of the social security act. The next evidence of solidarity in Washington was in relation to the proposed corn selfin relation to the proposed corn self-insurance fund, which the CCC intended to establish. All hands worked together and the results were triumphant.

Promotion of Solidarity

He concluded as follows:
"It is evident, that peace in our time in the insurance business is assured just so long as companies and agents alike are guided by a sincere desire to ad-here to the time-tested and established principles of conference, cooperation and conciliation. In order to maintain, preserve, and perpetuate these guiding principles, I can think of no more logical course to add the control of the control cal course to adopt than to sustain and promote continued organization and solidarity along all company and agency

Barnett Starts K. C. Hearing

KANSAS CITY-Paul V. Barnett, special master appointed by the federal court here to conduct hearings into the settlement of the Missouri rate case, begins the Kansas City hearing Thursday morning at the Hotel Muehlebach.

The Indiana Blue Goose will hold a fall golf tournament at the Lake Shore Country Club, southeast of Indianapolis, Members are permitted to bring guests.

Houston Fire & Casualty has been li-

Action Taken by Canadian Officials Is Analyzed

A statement has been issued of the action taken at the recent annual convention of the Canadian insurance superintendents association.

The superintendents recommended that the provinces having enacted an amendment that removes the restriction limiting the term of fire policies cover-ing mercantile and manufacturing risks to one year, this be brought into force not later than Jan. 1, 1940, and that other provinces enact a similar amend-

They recommended that a section be drafted to provide for the application of the fire statutory conditions to supplemental coverages contained in a fire

In regard to excess insurance it was recommended that insurers amend the wording in the pick-up endorsement of the personal property floater policies in order to remove any doubt as to the rights of the assured in the event of a claim when a primary fire policy is in force covering the same property. In the event of non-compliance with this recommendation it is recommended that the superintendents take action under the provisions of their insurance acts to enforce the amendment of these endorsements.

Sub-Committee Is Appointed

All superintendents are requested to file with the committee their definite opinion as to amendment of each statutory condition. Ontario and Manitoba have been appointed a sub-committee to review the suggested amendments and make definite recommendations as to whether such amendments should be

The secretary of the association was requested to obtain the views of public bodies in regard to a written application

bodies in regard to a written application for each policy.

The committee on definitions will continue its work on the preparation of draft uniform definitions for classes of insurance. The work of the joint committee will be continued with special attention being given to the enforcement of the definitions and rulings.

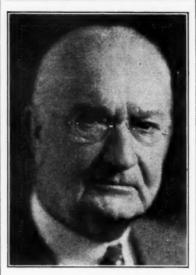
It was recommended that the report of the English committee on compulsory insurance (1937) be included in the appendices of the report submitted to the conference by Superintendent H. G. Garrett, British Columbia, and that the report be forwarded to the attorneys-general and highway officials in the various provinces.

The suggestion for authority to issue

ticket accident policies through any in-surance agent without including the statutory conditions in the contract was not accepted.

No decision was arrived at as to the principles to be followed in drafting a

Silver Jubilee



GEORGE H. BELL

George H. Bell, general manager of the western department of the National Fire of Hartford group, celebrated his 25th anniversary with the company last Friday. He arrived in Chicago 25 years ago from New York where he was assistant United States manager of the assistant United States manager of the Royal Exchange to become assistant manager of the National Fire, Fred S. James then being manager. The entire office field force in the western depart-ment presented Mr. Bell with a five chime Westminster hall clock, it being a magnificent present. The presentation address was made by W. H. Roadifer, address was made by W. H. Roadier, who retired some months ago as comptroller of the western department. He and D. H. Dresser, retired assistant manager, who were the two men that welcomed Mr. Bell when he arrived in Chicago 25 years ago at the door of the office were both present at the ceremonies attendant on the silver anniversary. The entire office force was gathered about Mr. Bell's office and he was greatly moved at the demonstration. He received many flowers, telegrams and telephone messages on the eventful day. President F. D. Layton sent a telegram and a big bouquet of roses.

definition of group accident and sickness insurance. It was felt that a definition of group life insurance should first be drafted. The similarity in problems would indicate that the group accident and sickness definition should follow closely that of group life.

It was recommended that companies

writing accident and sickness contracts continue their efforts towards standard-ization. The progress made in the (CONTINUED ON PAGE 17)

THIS WEEK IN INSURANCE

New war risk and bombardment policy and new war sabotage cover under riot and civil commotion policy announced by Explosion Conference; similar exten-sion of extended coverage endorsement expected.

expected.

Program is announced in detail for the annual convention of the National Association of Insurance Agents in Boston.

Page 3

George H. Bell, western manager National Fire, celebrates his 25th anniversary with the company.

H. T. Anthony of Spokane is elected president of the Washington Insurance Agents League at the annual convention at Bellingham.

Page 5

John C. Blackall of Connecticut is elected vice-president of the National Association of Insurance Commissioners to fill a vacancy.

Page 8

Commissioner. Newhang of Indianal Control of the National Association of Insurance Commissioners to fill a vacancy.

Commissioner Newbauer of Indiana reduces to 30 percent off manual the permissible minimum rate for automobile P. L. and P. D. Page 15

W. H. Menn, president National Asso-ciation of Insurance Agents, addresses the meeting of the Washington Insur-ance Agents League at Bellingham. Page 4

Blue Goose grand nest meeting in Cincinnati sets new attendance record.

Page 5

Bureau of motor carriers of Interstate Commerce Commission has affirmed Rule VIII, under which insurance companies must be licensed in every state in which the motor carrier operates. Page 15

Report favoring compulsory automobile insurance sidetracked by International Association of Insurance Counsel at its annual meeting at Hot Springs, Va.

Page 15

Secretary Bennett of National Asso-

tat its annual meeting at Hot Springs, Va.

Page 15
Secretary Bennett of National Association of Insurance Agents asks probe of London Lloyds big trust fund.Page 15
C. M. Marshall of San Francisco, coast manager of the Aetna Fire, in an address gives agents excellent selling advice.

Page 31

North Says Agent Weakens Standing by Using Mutual

H. P. North of San Francisco, assistant director Business Development Office, in addressing the meetings of the Oregon Insurance Agents Association and the Washington Insurance Agents League, announced that the B.D.O. intends as soon as possible to conduct a broad program of general education "on the theory that it is an inescapable duty not only to maintain the guality of our not only to maintain the quality of our product, but to improve it as time goes along; more important than anything else is to prepare the personnel of our business so that they can at all times in-telligently present the proof of the su-periority of the product they sell, by which process much of the competition from other types of companies will be

Mr. North said he has never been able to understand how there could exist any line of demarcation between the responsibility and the general welfare of agents and companies. Every segment of the business should promptly compose its differences as they arise to the end that solidarity shall become an ac-

tual fact.

Should Not Be Short Sighted

Such loyalty extends beyond the set-tlement of differences of opinion, he said. Agents should be unwilling to abandon a vital principle in the business abandon a vital principle in the business to meet an immediate situation. He was referring to the use of the non-stock market by agents that are primarily stock company representatives. Establishment of the ownership of expirations gave the local agency its Magna Charts he could The programment that Charta, he said. The agreements that have been made between companies and agents for the fair and equitable asso-ciation of their interests constitute the agent's bill of rights. In patronizing non-stock companies, he said, the agent is jeopardizing the existence of the things that are vital to him as a local agent. An agent should not value a few pieces of business or a few dollars commission so as to place in jeopardy the indispensable articles of protection.

'Non-Profit" Idea Growing

Until now, he said, the B.D.O. has been largely devoted to preparing the business to meet a type of competition that has grown in recent years largely due to the increasing influence of a business philosophy that heretofore has been largely confined to nations and countries beyond the United States. This theory of business without profit is growing and has been nurtured from men in high positions. It is a definite challenge to business of every kind.

W. L. Schreiber Goes with Transportation of Chicago

W. L. Schreiber has been appointed executive home office representative of Transportation, fire insurance running mate of Continental Casualty. Mr. Schreiber will travel all territories supervised by the home office and will cooperate with agents of the Continental Casualty in developing all lines written by Transportation.

Casualty in developing all lines written by Transportation.

Mr. Schreiber is well qualified. He entered the business 22 years ago, his first position being in the underwriting department. He became a special agent for that company in 1921, traveling the northwest until 1925, when he resigned to become assistant state agent for American of Newark. He later became associated with the National Liberty and then with the Home in Illinois. Mr. Schreiber then became executive special agent for Pacific National Fire in Chicago. Thereafter he became agency superintendent of Pearl fleet, with head-quarters in Cleveland. quarters in Cleveland.

Washington Agents Elect Anthony as New President

Attendance Is Large at Instructive Annual Meeting at Bellingham

NEW OFFICERS ELECTED

President—H. T. Anthony, Spokane. Chairman executive committee and national councillor—James M. Blair,

Executive secretary—Irwin Mesher, Seattle (reelected). Secretary-Raymond H. Ensign, Se-

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Regional vice-presidents—P. J. Perry,
Seattle; E. O. Allen, Wenatchee.
Additions to executive committee—
Neal Atkinson, Vancouver; A. J. Peters, Issaquah; M. J. Maury, Olympia;
L. E. O'Day, Aberdeen; H. H. Petershagen, Everett.

BELLINGHAM, WASH. - Agents from all parts of the state and company men from Seattle and San Francisco converged here for the annual convention of the Insurance Agents League of

H. T. Anthony of Spokane was boosted from chairman of the executive committee to president, succeeding Harry Paxton of Walla Walla. Taking Mr. Anthony's old post of chairman and national councillor is James M. Blair,

Puyallup.
Registration passed the 200 mark before the first day's session ended. The San Francisco contingent was unusually large, R. L. Countryman, Norwich Union group, who is president of the Pacific Board, heading the managerial delegation.

North at Breakfast Parley

H. P. North, San Francisco, assistant director of the B.D.O., addressed 50 fieldmen and agents at a breakfast conference immediately preceding the first general session. He outlined some of the B.D.O.'s plans for the Pacific Coast. The morning session was called to order by President Paxton. Rev. James

(CONTINUED ON PAGE 13)

Iowa Agents Are in Annual Parley

NEW YORK—Largely as the result of the dynamic energy shown by Presi-dent B. C. Hopkins and his associate officers of the Iowa Association of Insurance Agents, membership in the body has more than doubled in the fiscal year. From the figures at hand the Iowa association is understood to stand an excellent chance for winning the National association trophy awarded each year to the state association showeach year to the state association showing the largest net gain in membership during the preceding 12 months. Final figures of the different states have not yet been compiled.

By LEVERING CARTWRIGHT

MASON CITY, IA.—As the Iowa Association of Insurance Agents went into its annual meeting here, an excellent spirit prevailed, because under the leadership of President B. C. Hopkins of Des Moines, it has recorded sensational membership gains during the year and has probably attained its highest degree of perfulpers. The membership and has probably attained its highest de-gree of usefulness. The membership now stands at 469, which gives the as-sociation \$1 in addition to the goal of doubling last year's membership of 219. Attendance is expected to reach a new peak in the history of the association. Early arrivals Wednesday were unusu-

Two Seek 1940 Meeting

Des Moines forces are attempting to secure the 1940 convention for their city. Arthur Brayton of the Des Moines convention bureau will make the official bid for Des Moines. The local board at its regular meeting last week adopted a resolution to make a bid for the 1940 meeting. Cedar Rapids is also expected to attempt to secure the convention.

The association faced drafting its program for the coming year, with the executive council setting up the preliminary work Wednesday evening. It is believed the association will follow through with a campaign to secure enactment of a qualification law after its

through with a campaign to secure enactment of a qualification law after its successful fight in the recent legislature to get a countersignature bill enacted. The appearance of Commissioner Fischer before the convention probably will consist of a bow at the banquet dinner Thursday evening.

President B. C. Hopkins, under whose guidance the association made its remarkable showing during the past fiscal year, probably will be succeeded by Harry C. Brown of Mason City, the present vice-president. Secretary Cutter,

Georgia Leader Has Big Spot in Boston Program

John W. Carswell of Savannah, president of the Georgia Association of

Insurance Agents, will lead one of the group sessions on agencev management and operation Oct. 5 in Boston during the conven-tion of the National Association of Insurance Agents. He was connected with the Retail Credit Company about 10 years and then took over the agency of his uncle, the late



J. D. Carswell. At the Hollywood mid-year meeting of the National association he took part in the symposium on meeting mutual casualty competition.

who has held his post for a number of years, is slated for reelection. There has been some speculation on changing the by-laws to include an ex-

ecutive vice-president and four district vice-presidents to strengthen the state organization and to help continue its

Va. Merchants Pledge Fight on Consumer Cooperatives

on Consumer Cooperatives

B. P. Carter of Richmond, Va., has made public a letter that he has received from C. W. Holt of Martinsville, president of the Retail Merchants Association of Virginia, pledging to the agents of stock companies in the state the support of the commodity merchants of Virginia in an educational campaign defending the American way of doing business. Mr. Carter has been engaged in studying the development of consumer cooperatives. He has developed a large file of literature and has made many addresses on the subject.

"The consumer-cooperative move-ment," Mr. Holt's letter declares, "threatens your business and our business alike, for cooperative insurance organizations are to your business pust

organizations are to your business just what cooperative merchandising organiwhat cooperative merchandising organizations are to our business and since those forces are working together to destroy the profit system we should work together in upholding the system upon which America was built; we should work together in defending the right of your business and our business to exist."

Blue Goose Grand Nest Roundup Sets Attendance Record

Successful and Impressive Gathering of the Order in Cincinnati Draws 500

NEW OFFICERS ELECTED

Most Loyal Gander-J. R. Knowlan, Knowlan, Thorpe & Co., Philadelphia.
Grand Supervisor—B. S. McKeel,
General Cover Department, New York.
Grand Custodian—C. J. Malcolm,

Aetna Fire, Toronto. Grand Guardian—H. A. Reynolds,

Home, San Francisco. Grand Keeper-L. L. Law, London,

Minneapolis.
Grand Wielder—R. A. Kenzel, Northern of London, Milwaukee.
Place of 1940 meeting—Philadelphia.

By GEORGE E. WOHLGEMUTH

CINCINNATI-Ganders flocked to the Ohio rice fields in unprecedented numbers for the annual meeting of the Blue Goose grand nest, registration being 510. This set an all time record for attendance. The decorative scheme for the meeting was an Ohio river steamboat and all details were carried out in a nautical manner. A huge curtain at the end of the assembly room behind the speakers table was painted to represent the bow of a boat, which, with the decorations, gave an impression that the sessions were being held on a boat sailing down the river. Admission to the as-sembly room was gained over a gang

plank.

At the election, custom was followed and the present grand nest officers were each moved up a notch with the exception of grand wielder. L. L. Law, London Assurance, Minneapolis, was the only candidate for the position of grand keeper in contrast to the lively grand keeper, in contrast to the lively competition for the office last year. Mr. Law's candidacy was well managed by the Minnesota pond, which prepared a large broadside outlining his qualifica-

tions.

Mr. Law received his training with

ON THE PROGRAM OF THE IOWA AGENTS MEETING



B. C. HOPKINS, Des Moines



National Executive Committee



CHARLES F. THOMAS, Chicago Manager Western Underwriters Assn.



C. ARTHUR RUHL, Davenport man Iowa Executive Committee

Elected by Washington Agents League at Bellingham Meeting



New President



J. M. BLAIR, Puyallup Chairman Executive Committee



R. H. ENSIGN, Seattle Secretary



IRWIN MESHER, Seattle Executive Secretary

Demand in Canada for "Sabotage" Insurance

TORONTO — Insurance companies operating in Canada have been receiving inquiries regarding sabotage insurance from business men with plants or warehouses which they fear might be damaged by enemy sympathizers in the event of war.

event of war.

Sabotage insurance is something that few if any Canadian insurance men appear to have written. One insurance executive has described it as a sort of hybrid between riot, civil commotion insurance and war risks. Definition of it appears to be lacking.

The general meaning of sabotage is malicious destruction of a person's prop-

The usual reference is to the property of an employer being destroyed or damaged by a disgruntled employe. It has also the meaning of damage by an enemy of the country in which the property is located. The term was widely used at the time of the sinking of the submarines of the British and United States navies.

Civil Commotion Definition

Civil commotion insurance is defined as "insurance against damage to property of any kind caused by bombardment, invasion, insurrection, riot, civil war or commotion or military or usurped power." As there is no defini-tion of "riot" or "riot and civil commo-tion" insurance it is evident that the

committee in charge of definitions meant to include riot in civil commotion cov-

This definition it would appear does not specifically cover the act of sabot-

age.
One executive states that as far as he One executive states that as far as he can determine a rate could be struck for sabotage insurance by adding 10 percent to the ordinary war risk rate. On the other hand it is claimed that all protection would be given by the addition of an ordinary war risk clause to an ordinary nary fire policy.

Postpones Anniversary Dividend

According to the A. M. Best Company, Hardware Mutual of Minnesota has postponed payment of the special

40th anniversary "extra" dividend of 10 percent, which it had proposed to pay on all policies in force as of June 30, 1939. This change in plans was made due to the fact that the Federal Hardware & Implement Mutuals group of which Hardware Mutual was a member, has now been dissolved.

Steele Heads Bay State Nominators

President Harvey R. Preston of the Massachusetts Association of Insurance Agents has appointed Carroll K. Steele of Gloucester chairman of the nominat-ing committee to bring in a new slate of officers at the annual meeting in Boston Oct. 3.

J. H. Palmer has sold his agency at Wilmot, On to R. J. Miller.

Reinsurance of Fire and Allied Lines

NORTH STAR REINSURANCE CORPORATION

90 JOHN STREET, NEW YORK . 200 BUSH STREET, SAN FRANCISCO

Financial Statement, June 30, 1939

ASSETS

Cash in Banks	\$ 665,268.47
Investments:	
U. S. GOVERNMENT BONDS \$1,0	070,833.24
OTHER BONDS	348,927.75
Market Value of Stocks	563,430.00
Mortgage Loans	38,500.00
REAL ESTATE OWNED	7,500.00
Total	3,529,190.99
BALANCES DUE FROM CEDING COMPANIES (NOT OVER 90 DAYS D	
Accrued Interest	
Total Admitted Assets	\$4,326,932.29
LIABILITIES	
RESERVE FOR CLAIMS AND CLAIM EXPENSES	\$ 204,698.70
RESERVE FOR UNEARNED PREMIUMS	2,058,087.53
OTHER RESERVES	62,471.19
Capital Stock \$ 6	
Surplus	
Surplus to Policyholders	-
TOTAL	\$4 326 932 29

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department, viz.:—Bonds on an amortized basis, stocks at June 30, 1939 market quotations. If bonds owned were valued on the basis of June 30, 1939 market quotations, Total Admitted Assets would be increased to \$4,385,046.30 and Surplus to \$1,459,788.88. Securities carried at \$364,463.52 in the above statement are deposited as required by law.

"Thirty Days Hath September - "

On any one of which may be repeated the destructive storm which swept the Eastern states last September - and proved that no section of the country is safe from windstorm damage. Are your clients protected with Windstorm Insurance?

America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY FIDELITY-PHENIX FIRE INSURANCE COMPANY AMERICAN EAGLE FIRE INSURANCE COMPANY FIRST AMERICAN FIRE INSURANCE COMPANY

CHICAGO

Eighty Maiden_Lane,



and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY MARYLAND INSURANCE COMPANY OF DELAWARE THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President FRANK A. CHRISTENSEN, Vice-President

New York, N.Y.

ATLANTA

DALLAS

MONTREAL

NEW YORK

Chicago Institute Courses Ready to Start Oct. 4

Selection of the teaching staff has been practically completed for Insurance In-stitute of America courses in fire, casualty and inland marine, to start Oct. 4 in Chicago, and registration has begun, A. T. Graham, chairman educational committee, announced. All classes save those in inland marine will begin Oct. 4, those in inland marine will begin Oct. 4, the inland marine starting in November. Mrs. E. F. Andrews, Insurance Library of Chicago, is registrar. Class sessions will be an hour each week for each course. Three types of fire and casualty courses and one on inland marine will be offered. be offered.

The teaching staff will attend a dinner at the Chicagoan Hotel Sept. 19.

at the Chicagoan Hotel Sept. 19.

The educational committee, consisting of Mr. Graham, Benjamin Richards, Underwriters Service; W. F. Kuffel, Phoenix of Hartford; R. E. Baker, Hartford Accident, and H. F. Hunter, Chicago Board, is in charge of arrangements. Mr. Graham is serving in a simple of the control ilar capacity to that when the courses were first originated 31 years ago, as he was chairman of the committee in 1909 which outlined the first course of study for the Insurance Institute of America.

Students taking the courses will au-

tomatically become members of the In-

surance Club of Chicago, which sponsors the courses. Mr. Baker is the president and last year Mr. Kuffel was

More than 8,000 students have taken the Chicago courses since their incep-tion. Tuition is \$10 for each course. A

syllabus has been prepared.

The teaching staff, including many prominent Chicago insurance men, is:

Gunnar Berglund, H. F. Hunter, F. G. Waldenfels, E. E. Elm, N. A. Daniels, R. A. Parker, Walter Golden and D. P. Skaer, all of the Chicago Board; W. F. Kuffel, Phoenix of Hartford; R. K. Hill and B. E. Hobart, Springfield F. & M.; Benjamin Richards, H. R. Thiemeyer, North America; H. M. Greenberg, Western Adjustment; A. T. Graham, Carolan & Graham; and G. P. Stahl. National Board. Stahl, National Board.

Casualty Course

D. M. Wood, Childs & Wood; A. L. Kirkpatrick, Chicago "Journal of Commerce"; R. E. Baker, R. D. Thompson, J. E. Brown, A. V. Cornell, B. F. Martin, P. J. Girard, L. W. McConnaughay, Mark Ellis and W. I. Burke, all of Hartford Accident; R. J. Kubat and E. J. Reid, Standard Accident; J. E. Payne, H. C. Sandberg, Armand Sommer and N. L. Beck, all of Continental

Casualty; H. W. Lorenz, Rockwood Co.; Earle E. Vogt, Miller's National; B. H. Henderson, Employers Reinsurance; E. O. Graham and John F. Idler, Zurich; W. M. McSweeney, Travelers Indemnity; W. I. Dillon, Illinois department; Carlisle Durfee, insurance attorney; A. B. Kilburg, Cook County Loss Adjustment; J. A. Lawler; and Douglas Beach, Aetna Casualty.

Inland Marine

U. M. Lelli and A. G. Wilbor, Phoenix of Hartford; P. J. Leen and E. D. Lawson, Fireman's Fund; R. L. Maxwell, Home; H. M. Angell, Appleton & Cox; R. C. Moe, Aetna Fire; S. B. Fabans, Northern Assurance; R. D. Sullivan, Marine Office of America; M. V. Campbell, Automobile of Hartford, and R. M. Ryan, Western Adjustment.

No one has been selected to fill the place left vacant in the inland marine course by F. S. Bankhardt, who left recently to assume charge of the new inland marine department of Security of New Haven.

Assisting materially in the registra-

Assisting materially in the registra-tion and throughout the year for all courses will be Mrs. Andrews and Miss Turner, both of the Chicago Board Li-

Rowland & Westphal, one of the oldest agencies in Jersey City, has filed a bill in bankruptcy.

Blackall Named Vice-president

John C. Blackall of Connecticut unanimously has been elected vice-pres-ident of the National Association of In-surance Commissioners. He takes the place left vacant by the recent death of J. Balch Moor of the District of Colum-



JOHN C. BLACKALL

The election of Mr. Blackall is likely to promote harmony in the ranks. Mr. Blackall was the choice of the eastern group for election as president at the recent annual meeting at San Fran-

the recent annual meeting at San Francisco. However, the westerners had as their candidate C. C. Neslen and Mr. Blackall declined to enter a contest. When the vacancy occurred, Mr. Neslen desired to have Mr. Blackall as vice-president and Mr. Neslen communicated his, desire to the New England commissioners and the southern commissioners at recent regional meetings which he attended.

missioners at recent regional meetings which he attended.

J. S. Williams, III, of Mississippi, chairman of the executive committee, announces the mid-winter meeting will be held at the Edgewater Gulf Hotel, Edgewater Park, Miss., commencing with a meeting of the executive committee on the afternoon of Wednesday, Dec. 6. The convention proper will come to order on the morning of Dec. 7 and run through Saturday, Dec. 9. Mr. Williams invites members to notify him of any matters or subjects that they feel should be brought before the executive combe brought before the executive com-mittee and any topics they would like to have treated in convention addresses.

Coffin Remains as Agents Head

The return of Ross E. Coffin to the field, representing Eagle Star and Boston and Old Colony, will not result in his retiring from the office of president of the Indiana Association of Insurance Agents. While Mr. Coffin did tender his resignation as president of the asso-ciation the board did not accept it and ciation the board did not accept it and asked that he continue in office until the coming annual meeting of the association, which will be held in Indianapolis, Nov. 9-10. Plans for the meeting are shaping and, in addition to Ray Murphy, assistant general manager of the Association of Casualty & Surety Executives, already announced as a speaker, G. E. Allen, commissioner of the District of Columbia, has been added to the program. Mr. Allen recently obtained leave of absence from Home of New York of which he is vice-president to resume the duties of this office which he had held prior going to Home. prior going to Home.

Testimonial Dinner for Law

MINNEAPOLIS .- A restimonial dinner for Louis L. Law, London Assurance, newly elected grand keeper of the Blue Goose, will be given Sept. 11 by the Minnesota pond at the Country Club, preceded by a golf tournament.

"Selling Tip\$

FOR THE INSURANCE AGENT and BROKER"

is the title of a book which has helped many of our Agents to increase their business.

If you want more sales, and are willing to do something about it, write for a copy.



Newark

New Jersey

THE JERSEY FIRE UNDERWRITERS

THE COLUMBIA FIRE INSURANCE COMPANY DIXIE FIRE INSURANCE COMPANY

BANKERS INDEMNITY INSURANCE COMPANY





Marine coverages as Personal Effects, Jewelry, Furs, Fine Arts, Personal Property, Parcel Post and others.

A compact and ingeniously arranged Pocket Manual assists Royal-Liverpool agents to cultivate the Inland Marine field in a highly profitable way. We invite you to examine specimens of any of this material—without obligation of any sort. Please address

mailing folder, "Hobby Exposures," which presents a modern and popular form of insurance.

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Also available are appealing pamphlets to assist in the solicitation of such popular Inland

ROYAL, LIVERPOOL GROUPS

ONE HUNDRED FIFTY WILLIAM STREET, NEW YORK, N. Y.

AMERICAN & FOREIGN INSURANCE COMPANY

BITTISH & FOREIGN MARINE INSURANCE COMPANY, LTD.

COMPANY & CAPITAL FIRE INSURANCE COMPANY OF CALIFORNIA

THE LIVERPOOL ELONDON & GLOBE INSURANCE CO. LTD.

THAMES & MERISEY MARINE INSURANCE COMPANY, LTD.

COMPANY & FEDERAL UNION INSURANCE COMPANY

BOYAL INSURANCE COMPANY, LTD.

THE SEABOARD INSURANCE COMPANY

STAR INSURANCE COMPANY OF AMERICA

THE SEABOARD INSURANCE COMPANY

THE SEAB

FIRE ASSOCIATION

presents

a new and simplified work sheet for the development of Use and Occupancy insurable values together with an explanation in laymen's language of the purpose and operation of this insurance necessity.

Copies are available upon request.

AFFILIATED COMPANIES LUMBERMENS INSURANCE CO. THE RELIANCE INSURANCE CO PHILADELPHIA NATIONAL INSURANCE CO.

Insurance of Physical Values is Essential:

Insurance of Business Earnings is Vital.



Head Offices, 401 Walnut Street, Philadelphia, Pennsylvania

OLD LINE STOCK FIRE, MARINE AND AUTOMOBILE INSURANCE

NEWS OF FIELD MEN

Grant to Phoenix Home Office as General Agent

Harold M. Grant, special agent Phoenix of Hartford, New Orleans, has been transferred to the home office to become general agent for the southern department. He went to New Orleans in 1934. He is succeeded there by T. K. Marlowe, who has been special agent of the National Union in Louisiana and Mis-

Dice New Mexico State Agent

New Mexico has been detached from New Mexico has been detached from the mountain field by the St. Paul Fire & Marine and made a separate field in charge of Elmer C. Dice as state agent, with headquarters in Albuquerque. For the past five months Mr. Dice has been assistant to State Agent H. A. Amon-ette in Denver. Increase in the volume of business in New Mexico is given as the reason for the change.

American Divides Dakota Field

H. E. Whitchurch, state agent of the American, who was formerly in charge of North and South Dakota, is now confining his work to South Dakota, Frank A. Nelson has been placed in charge of North Dakota and northwestern Minnesota, formerly handled by K. L. Hingst of Minneapolis. Mr. Nelson has offices at 418 First Avenue North, Fargo, N. D. He was with the Fire Underwriters Inspection Bureau in Fargo, 1927-1935, and since 1935 has been state agent of the Norwich Union Fire, covering North and South Dakota.

Klinkenborg Returns to Northwest

Rex J. Klinkenborg is returning to ne North and South Dakota field for the North and South Dakota field for Norwich Union Fire. He takes the place of Frank A. Nelson, who has gone with the American. Mr. Klinkenborg has lately been in the Ohio field. When the vacancy occurred in the Dakotas, he the vacancy occurred in the Dakotas, ne requested to be returned to that post. His headquarters are at 107 Robert street, Fargo, N. D.

J. A. Neilan, who has been traveling in western Ohio, now becomes state

Joins Paramount Fire as Oklahoma Special Agent



R. W. THOMPSON

R. W. Thompson, prominent local agent of Dallas, has entered company work, as special agent for Paramount Fire in Oklahoma. Paramount has just been licensed in Oklahoma. Mr. Thompson is a past president of the Texas Association of Insurance Agents. A fellow townsman, Owen M. Murray, is president of Paramount Fire.

agent for Norwich Union in charge of the entire state.

California Pond Active

LOS ANGELES — The California Blue Goose had a busy week with two meetings. A luncheon was held by the Drakes, composed of all the past most loyal ganders. Officers are: Grand drake, B. C. Fischer, National of Hartford; assistant grand drake, George Kingman, Home; secretary-treasurer, C.

Ringman, Home; secretary-treasurer, C. P. Taylor, Firemen's.

At the regular dinner and business meeting of the pond R. B. Hood of the Los Angeles office of the F. B. I. spoke. A picnic will be held Sept. 19 at the Uplifters Club. Wives are invited.

Robert Reid as Detective

Georgia State Agent R. C. Reid of the Liverpool played an heroic part at the annual meeting of the Atlanta Asso-ciation of Insurance Agents, when he "spotted" among the guests two uninvited professional gamblers who had crashed the gate. Through the discovery of Mr. Reid the two men were removed, without "serious loss."

Baltimore Offices Are Combined

The offices of the Home group in Baltimore have been combined in a retimore have been combined in a re-modeled and renovated building at 38 South street. A. M. Sullivan, state agent for Baltimore and part of Mary-land, K. V. Robbins, staff adjuster for Home, have moved to that building, combining with J. W. Boone, state agent for Home outside of Baltimore.

Illinois Pond Playoff Sept. 21

The playoff to determine the winner of the Illinois Blue Goose golf plaque for 1939 will be conducted at the Arsenal Golf Club, Rock Island, Ill., Sept.

21. That is the day of the annual golf outing of the Fire & Casualty Insurance Board of Rock Island. The semi-finals Board of Rock Island. The semi-ination and finals will be held that day. Those contesting will be the winner and runner up in the earlier tournaments that were held by the Chicago contingent, the Peoria puddle and the Dan T. Smith puddle of Springfield and Decatur.

Sademan Sent to Detroit

Elmer E. Sademan, who has served in Elmer E. Sademan, who has served in the engineering department of the western department of National Fire since Feb. 1, has been transferred to Detroit as production engineer in Michigan, succeeding H. W. Mullins, who was transferred to Indiana as state agent in the National State of the Sademan is a graduate of the July. Mr. Sademan is a graduate of the Armour Institute of Technology and for 5½ years was with the Ohio Inspection Bureau at Dayton, Cleveland and Cincinnati, prior to entering the service of National Fire.

The Michigan State Fire Prevention Association will conduct an inspection of Ann Arbor, Oct. 12, with R. E. Vernor, Western Actuarial Bureau, addressing a public meeting.

The Iowa Blue Goose will hold its first fall meeting Sept. 11 in Des Moines. Most Loyal Gander John Hull will report on the grand nest meeting.

The fall outing of the Syracuse Field Club will be held Sept. 11 at the Green Lake State Park near Syracuse.

Assemble Auto Ratemaking Data

NEW YORK — Member companies of the National Automobile Underwriters Association have supplied their loss experience for the year ending Aug. 31 and the material will now be analyzed and tabulated by the organization as the basis for ratemaking for 1940.

Skipper & Zeigler, local agents at Longview, Tex., have opened a branch office at Kilgore with Miss Helen K. Smith in charge.



KNOWN THROUGHOUT THE NATION

For cooperation that brings tangible results For courtesy and promptness in all transactions

For progressive and consistent underwriting practices

For unquestioned financial strength

A NAME THAT MEANS THE BEST IN INSURANCE

The SPRINGFIELD GROUP OF FIRE INSURANCE COMPANIES

Geo. G. Bulkley, President

SPRINGFIELD FIRE & MARINE INSURANCE CO. . SPRINGFIELD, MASS. CONSTITUTION DEPARTMENT SPRINGFIELD, MASS.
SENTINEL FIRE INSURANCE COMPANY SPRINGFIELD, MASS.
MICHIGAN FIRE & MARINE INSURANCE COMPANY DETROIT, MICH.
NEW ENGLAND FIRE INSURANCE COMPANY PITTSFIELD, MASS.



NATIONAL UNION

FIRE INSURANCE COMPANY PITTSBURGH

PA.



AS GOOD AGENCY COMPANY



AS SEEN FROM CHICAGO

OWL ASSOCIATION MEETS OCT. 2

The Illinois Owl Association of the Employers group branch office in Chicago, which was formed in May, will resume its meetings Oct. 2 at a dinner. Henry B. Burgess of the engineering department is president; E. H. Opderbecke, brokerage department, and T. H. Carmody, policy analysis department, vice-presidents; Edith Larson, accident department, secretary, and C. L. Johnson, chief accounting department, treasurer. This is a social organization of urer. This is a social organization of the 125 employes in the office, and sim-ilar to the national Owl Association of Employers Liability, of which E. C. Stone, head of the Employers group, is honorary president.

SPEAKERS FORUM STARTS SEPT. 18

The Exchange Speakers Forum will hold its first fall meeting Sept. 18 in the Chicago Board auditorium. R. E. Baker, Hartford Accident, will preside. Baker, Hartiord Accident, win preside.
This will be a get-together session to discuss plans for the coming year.
Meetings will be held thereafter each Monday at 6 p.m. at the Central Y. M. C. A. throughout the winter and spring.

BROKERS PUT LID ON "BLASTS"

The Insurance Brokers Association of Illinois some time ago through its directors adopted a resolution requiring all news matter and announcements relating to the association to clear through the publicity committee, of which A. T. Graham is chairman. One of the reasons for adopting this course, members said, was the sensational items about the said, was the sensational items about the Chicago Board sent to newspapers by W. J. Robbins, brokers' vice-president, as chairman of a special committee which handled the brokers end of the Chicago Board proposal to limit acquisition cost. Mr. Robbins turned loose another "blast" through a Chicago newspaper, a few days age which led the paper a few days ago, which led the brokers association to ask newspapers to make clear in future items of the sort that the views expressed were not those of the association. Mr. Robbins

personally is much liked by the mempersonally is much liked by the members, but they felt his views were injudicious to present as the official stand of the brokers association. The charges made, it was said, created resentment among Chicago Board class 1 agencies and company managers, and made more difficult any reasonable solution of differences.

SIXTIETH ANNIVERSARY

At the 60th anniversary banquet of the At the 60th anniversary banquet of the Western Underwriters Association at White Sulphur Springs, W. Va., the evening of Sept. 19, Prof. Frank G. Dickinson of the University of Illinois, who has taken an active part in insurance activities and conducts the insurance course there, will give a talk on economics. Professor Dickinson was active in the construction of the Illinois insurance code. He is one of the prominent ance code. He is one of the prominent men in the Association of University Teachers of Insurance One of his achievements was the devising of the

achievements was the devising of the modern method of rating the standing of football teams.

S. M. Buck, vice-president of the Great American, who is president of the Western Underwriters Association, will not only preside at the business meeting Tuesday and Wednesday but also will be toastmaster at the banquet. He will give a history of the organization starting with the conception of the organization of the Union and telling something about its early days. its early days.

Miss Musa Dickinson, fire record clerk in the western department of North America, is confined to the Southern Pacific Hospital in San Francisco, recovering from injuries suffered in the wreck of the streamliner, the City of San Francisco, in Nevada. She suffered a fracture of four ribs and other injuries and she will be confined to the hospital for several weeks yet.

J. M. Clark, executive special agent

J. M. Clark, executive special agent New York Underwriters, Chicago, has left for Brainerd, Minn., to attend the annual meeting of the Minnesota Asso-ciation of Insurance Agents.

PANY AGENTS are saying. Here's why! Our Home Office officers are always alert and resourceful in assisting the agent to win new business.

That's what hundreds of RELI-ABLE FIRE INSURANCE COM-

I'm getting ahead

thanks to

RELIABLE

Cooperation

Our state and special agents have been carefully chosen for their long experience in field work and for their understanding of local agents' problems.

Unexcelled Property Insur-ance Policies help with your agency problems, ample resources, financial stability, and a reputation for prompt pay-ment of just claims are valuable features available to RELIABLE AGENTS.

Write to Reliable Fire Insurance Company today for complete information about a RE-LIABLE FIRE INSURANCE AGENCY. Address

Wm. F. Kramer, President; E. J. Weiss, Secretary.

STATE AND SPECIAL AGENTS

R. Dobbins 9 Carrollton Ave.

Finnell & Finnell 2527 David Stott Bldg. Detroit, Michigan



Now in our 75th year An independent Ohio Company with current surplus to policyhelders of \$1,109,183.00

FIRE COMPANY STATEMENTS

(Report as of June 30, to Georgia insurance department)

		STOCK			
	apital			-First Six Mo	nths 1939-
or	Deposit	Assets	Surplus	Income	Disburse.
American Equitable\$ 1	1,000,000	\$ 8,627,115	\$ 2,068,694	\$ 2,670,590	\$ 2,623,346
	1,000,000	9,898,199	5,746,219	1,399,311	1,391,823
British General	850,850	1,317,244	458,215	214,283	229,301
Birmingham, Pa	500,000	1,395,407	685,050	131,640	120,947
	1,000,000	3,464,827	1,540,708	432,596	415,812
	1,000,000	2,912,947	744,694	479,800	521.589
Century	400,000	3,414,328	1.177.560	925,717	972,845
	1,000,000	3,811,253	1,491,276	710,691	660,656
	1,000,000	3,301,843	1,515,693	359,515	301,923
	1,000,000	7,036,307	4,800,194	638,846	578,277
	9,397,690	34,275,303	7,422,489	6.775,249	7,193,362
	2,000,000	21,617,223	9,038,500	4,948,183	
	4,000,000	35,187,355	10,858,614	14,057,768	4,527,028
	8,150,000	47.148,597	23,474,420		9,598,860
Halifax	200,000	2,518,261		7,410,925	7,859,353
	1,000,000	3,118,080	1,751,106	291,217	372,241
	2.000,000	102,875,663	574,111	830,490	703,550
	1,000,000	4 440 000	59,571,423	13,619,487	13,997,422
London & Lancashire	1,000,000	4,449,292	886,601	1,182,611	1,314,740
	1.000.000	7,326,056	2,944,177	1,779,505	1,695,250
	1.000,000	4,838,369	2,132,004	892,150	796,310
		2,944,475	451,598	696,756	870,337
	2,500,000	16,188,291	7,573,917	2,366,264	2,433,155
Northern Assurance	400,000	7,851,119	2,558,112	2,099,680	2,088,983
	1,000,000	2,716,726	1,141,258	291,507	234,509
	4,000,000	19,831,708	7,754,486	2,831,729	3,071,733
	1,000,000	4,120,718	1,304,906	822,420	840,544
	1,000,000	3,223,282	1,633,998	564,262	575,525
Philadelphia National	1,000,000	2,819,000	1,171,485	378,627	321,835
	1,000,000	2,647,254	660,656	696,160	619,998
	1,000,000	2,668,350	1,017,063	354,746	350,073
	1,000,000	5,900,037	3,161,982	858,477	703,608
	1,000,000	3,258,767	415,734	836,857	1,075,356
	1,000,000	3,957,357	1,793,383	570,175	498,291
	1,000,000	4,112,164	1,599,554	509,191	521,177
World F. & M	1,000,000	6,385,098	3,788,943	1,066,473	836,983
		MUTUALS			
Berkshire		1,026,839	273,185	406,682	415,888
Northwestern, Wash		8,706,677	2,307,507	3,804,326	3,519,275
Retail Druggists, O		304,041	180,664	94,252	106,453
*Not given.					

New Oklahoma Auto Writer

The Security Mutual of Oklahoma

been announced yet the charter reveals that F. E. Young is attorney and directors include A. L. Hunt, P. J. Selman City has been chartered and plans to apply for license to write fire, theft, public liability and property damage on automobiles. While no officers have yet Wild, Weatherford.

Tors include A. L. Hunt, P. J. Selman and H. K. McDowell of Oklahoma City; J. T. Martin, Grandfield, and G. P. Wild, Weatherford.

SPEAKERS AT ANNUAL MEETING OF THE NEW JERSEY AGENTS



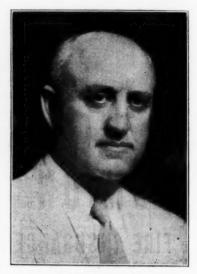
H. DONALD HOLMES, Summit, N. J. State President



W. H. BENNETT, New York City National Secretary



LEON A. WATSON, Newark N. J. Schedule Rating Office



RAY MURPHY, New York City Assn. Casualty & Surety Executives

Detailed Program for Boston Convention Given

(CONTINUED FROM PAGE 3)

Duties, State association national councillors, W. B. Calhoun, Milwaukee,

past national president.
Duties, state association presidents,
Stuart Ragland, Richmond, Va., president Virginia Association of Insurance

dent Virginia Association of Insurance Agents.

State association legislative activities, R. M. L. Carson, Glens Falls, N. Y., president New York State Association of Vesal Agents.

Local Agents.

Dues collection methods, D. G. Fore-man, Fort Worth, executive secretary Texas Association of Insurance Agents. Business Development Office activities, Albert R. Menard, director Business De-velopment Office.

raining prospective state association leaders, Eugene Battles, Los Angeles.
Mid-Year meetings of state associations and state convention programs,
William H. Jennings, Jr., Rockford,
president Illinois Association of Insurance Agents.

State educational programs, L. P. Mc-Cord, Jacksonville, Fla., chairman na-tional publicity and education commit-

e. The Washington office, William T. eed, Jr., assistant counsel National as-

sociation. 1:30 p. m.—State officers and national councillors will convene in a meeting of the whole.

Report of finance committee, C. Stan-ley Stults, Hightstown, N. J., chairman. Appointment of resolutions and nomicommittees

General open discussion. 2:15 p. m.—Meeting of national ex-

ecutive committee, parlors B and C, mez-

zanine.

2:15 p. m.—Local board conferences.
Group 1.—Population up to 50,000,
Georgian room, Mezzanine, W. C. Thornton, Fond du Lac, Wis., president Wisconsin association, presiding.
Group 2.—Population from 50,000 to 250,000, parlor A, mezzanine, Archie B. Millard, Grand Rapids, Mich., president Grand Rapids association, presiding.

1. The agent writes prescriptions. Raising the appreciation standard of ordinary insurance selling by written recommendation without professionalizing the act.

ing the act.

2. Home-market potentialities. New volume market as disclosed by trends of the times and the influence of current

3. Educational programs on the use of insurance statement form and new fact finder for credit group contacts.

4. The local board and its opportunities via trade group conventions in home

cities.

Group 3. — Population above 250,000, Salle Moderne lowel level, M. W. Boedeker, Louisville, presiding.
4:30 p. m.—Meeting of committee on resolutions, Hancock room, mezzanine.
7 p. m.—Annual get-together dinner, imperial ballroom, mezzanine. President William H. Menn, Los Angeles, presiding.

dent William ...

Siding.

Overture by orchestra.

Introduction of distinguished guests and national leaders.

Address of welcome.

Response.

Music and entertainment.

8 a. m .- Committee breakfast conferences. Members interested in the activities of a particular committee are invited to attend that conference.

Accident prevention committee, parlor A, mezzanine, John J. Roe, Jr., Patchogue, N. Y., chairman, presiding.
Fire prevention committee, parlor B, mezzanine, Lorren W. Garlichs, St. Joseph, Mo., chairman, presiding.
Membership committee, parlor E, mezzanine, James M. Crosby, Jr., grand Rapids, Mich., chairman, presiding.
Legislative committee, parlor D, mezzanine, P. D. Bowen, Baltimore, chairman, presiding.
Publicity and education, Hancock room, mezzanine, L. P. McCord, Jacksonville, Fla., chairman, presiding.
10 a. m.—First convention session, imperial ballroom, mezzanine.
Call to order by the president.
Singing—"America."
Invocation.

Singing—"America." Invocation. Report of the administration, W. H.

Invocation.

Report of the administration, W. H.

Menn, president.

Keynote address, W. H. Bennett, general counsel National association.

Greetings from the American Association of Insurance General Agents, Fred R. Lanagan, Denver, president.

"Information, Please," conducted by the Insurance Advertising Conference. Taking part in the presentation are: R. E. Brown, Jr., superintendent of advertising, and sales promotion manager, Agricultural; Clark W. Smitheman, advertising and production manager, Camden Fire; Clarke J. Fitzpatrick, vice-president, United States Fidelity & Guaranty; Arthur D. Grose, superintendent publicity department Employers' group; Raymond C. Dreher, advertising and sales promotion manager Boston.

General open discussion.

2 p. m.—Second convention session, imperial ballroom.

2 p. m.—Secon perial ballroom.

Greetings from the National associa-tion of Casualty & Surety Agents, Cliff C. Jones, Kansas City, president.

Discussion: "Time Insurance," led by Calvin F. How, Duluth, president Duluth Underwriters Association.
Discussion: "Inland Marine Insurance Comes of Age," led by Arthur J. Huneke, manager inland marine department Eagle Star.

manager inland marine department Eagle Star.
Discussion: "Non-Ownership Automobile Liability Insurance—the Reasons for It, the Coverage, the Market," led by William T. Ashby, Newark.
General open discussion.
Proposed constitutional amendments.
5 p. m.—Meeting of committee on nominations, parlors D and E, mezzanine.
5 p. m.—Meeting of committee on resolutions, Hancock room.
7 p. m.—New England festival imperial ballroom.
New England lobster dinner.
Vaudeville and entertainment.
Dancing.

Thursday, Oct. 5

9:45 a. m.—Group sessions, agency, management and operation.
Group 1.—For agents producing up to \$100,000 in premiums, Georgian room, H. Donald Holmes, Summit, N. J., president New Jersey Association of Underwriters, presiding.

1. Advertising, a. Modern methods, b. Most effective type for average agency.
2. Servicing compensation lines, a.

2. Servicing compensation lines, a. Methods of service, b. Value as a lead to other lines.

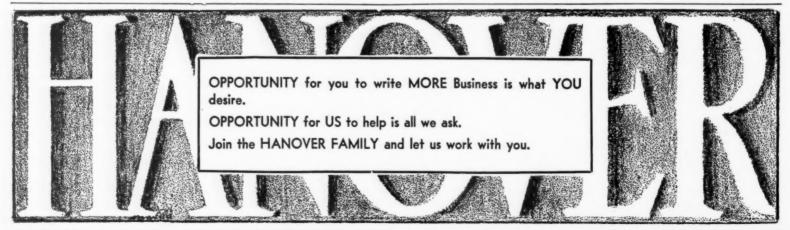
to other lines.

3. Agency methods of accounting, a. Fundamental requirements, b. As an aid to collections.

4. Does agency profit by the education of employes, a. What profit is reflected, b. Should agency defray cost.

5. Planned production, a. Value of developing accessory lines, b. How can limited personnel agency best accomplish results.

Group 2.—For agents producing from



\$9,213,048 POLICYHOLDERS' SURPLUS

\$15,527,853 ASSETS

LOSSES PAID SINCE ORGANIZATION \$87,949,301

The HANOVER FIRE INSURANCE COMPANY of New York

\$100-\$300,000 in premiums, Salle Moderne, John W. Carswell, Savannah, Ga., president Georgia association, presiding.

1. Advertising, a. Methods used—newspaper, radio, automobile, billboard, direct mail, b. Relative cost compared with premium income.

with premium income.

2. Office management, a. Efficiency of handling detail, elimination of unnecessary overhead and unnecessary records and lost time, b. Handling of customers by employes, etc.

3. Solicitors, a. Advantages and disadvantages, b. Method of compensation and supervision.

4. Advisory services—analyses—surveys, a. Method of approach to sell the idea to the prospect, b. Basis of compensation for services rendered.

Group 3.—For agents producing more

pensation for services rendered.

Group 3.—For agents producing more than \$300,000, parlor A, mezzanine, L. C. Hilgemann, Milwaukee, presiding.

1. Advertising, a. company, (1) What use do you make of it? (2) Does it produce any results in metropolitan districts? (3) Relative merits of company name advertising. (4) Suggestions for

ricts? (3) Relative meaning advertising. (4) Suggestions for improvements. b. Agency advertising.

2. Methods used in handling nationwide accounts, a. Uniform broker of record letter, b. Interstate Underwriters.

Board service. c. Local agency conbrokerage department

service.

3. Meeting mutual competition, a. As promoted by independent insurance counselors and adjusters. b. Are graphic illustrations a help? c. Public relations propaganda through credit men's association, associations of commerce, luncheon clubs

4. Engineering Service, a. Should it include valuation service?
5. Surplus Lines, a. Lloyds use and abuse, b. Cut-rate psychology.

Your Pet Subject, a. General discussion.

2 p. m.—Third convention session,

2 p. m.—Third convention session, Georgian room, mezzanine.
Address, "Eleven Years' Experience With the Massachusetts Compulsory Automobile Insurance Law," John W. Downs, general counsel Insurance Federation of Massachusetts.
Address, "Why Not?" W. E. Mallalieu, general manager National Board.

general manager National Board.
Unfinished business.
New business.
Report of committee on resolutions.
Presentation of Awards.
a. President's membership cup—to the state association making the largest percentage increase in membership for the preceding fiscal year.

b. Des Moines attendance cup—to the state association having the largest number of members registered at the convention.

c. Detroit association cup—to the state association showing the greatest combined mileage of members attending the convention.

combined mileage of members attending the convention.

d. Sparlin cup—to the state association which has rendered the most signal service to the American agency system during the fiscal year.

e. Woodworth memorial—to the mem-ber who has performed the most out-standing work for insurance during the

Report of committee on nominations.

Election of officers.
Installation of new officers.
Administration of the oath of office.

Adjournment.
7 p. m.—Past presidents' dinner, parlor
A, mezzanine, Charles F. Liscomb, Duluth, chairman advisory committee, pre-

siding.
9 p. m.—Boston Tea Party, imperial

Coinsurance Clause Involved

The Nebraska supreme court in Staka vs. Western Assurance decides a case where the 80 percent clause was carried and the assured failed to carry sufficient increase. sufficient insurance to meet the requirements. The policyholder set out the cash value of property at the time of the fire as \$5,000. The amount of the policy on the building at that time was \$3,on the building at that time was \$3,000. The policy contained the 80 percent coinsurance clause. The amount of the loss was alleged to be \$291. The company claimed that the lower court erred in not instructing the jury as to the assured's liability for one-fifth of the loss. The company was right, the loss. The company was right, the higher court says, in asking for the in-struction as the assured became a coinsurer with the company to the extent of one-fifth of the loss and the jury should have determined the loss and deducted one-fifth from it.

Washington Agents **Elect Anthony** as New President

(CONTINUED FROM PAGE 5)

M. Wilson gave the invocation. President Oscar A. Myhre of the Bellingham association bid welcome to the delegates, with Mr. Paxton responding. The report of the administration was then given by President Paxton.

given by President Paxton.

"Solidarity" was the subject of President W. H. Menn of the National Association of Insurance Agents. He scored a big hit. This was Mr. Menn's second appearance before the Washington agents, he having addressed the 1937 meeting at Tacoma.

Commissioner Sullivan followed with

the Local Agents and the Insurance Department." He cautioned agents not to misrepresent the new financial responsilaw as compulsory insurance said there had been some complaints filed with his department in this regard,

C. M. Marshall Is Heard

"A Dose of Your Own Medicine" was the topic of C. M. Marshall, San Francisco, assistant manager Aetna Fire, who concluded the morning meeting. The afternoon was given over to a

The afternoon was given over to a closed session for the agents.

The League's executive committee staged a meeting for the benefit of the membership. Officers and committees gave reports, offering a bird's eye view of the organization at work. The sessions of the session of of the organization at work. The session ended with the report of the resolutions committee by E. O. Allen, Wenatchee; credentials, George R. Thieme, Seattle; and nominations, Harold N. Mann, Tacoma.

A. V. Holman, agency superintendents are accounted to the superintendents of the superintendents of the superintendents are accounted to the superintendents.

ent America Fore at San Francisco, was in charge of the festivities at the stag banquet. The new officers were presented. William H. Menn and H. P. North received gifts, as did Mr. Paxton. Among the honored guests were Commissioner Sullivan and R. L. Countryman. Entertainment followed. While the banquet was in progress, the ladies were entertained with a dinner at Bellingham Golf & Country Club.

Rural Fire Protection

The general session the next day found A. J. Peters of Issaquah, chairman of the rural agents committee, teaming up with Fire Chief A. J. Mc-Carthy of the Puyallup department in discussing the newly-enacted rural fire protection district law. They explained how agents and firemen can cooperate to extend the areas of rural fire protections. to extend the areas of rural fire protec-

"Important Insurance Legislation Re-"Important Insurance Legislation Recently Enacted" was the subject of an interesting paper given by John N. Sylvester, Seattle attorney, who was speaker of the house of the 1939 legislature.

Arthur M. Brown, Jr., San Francisco, Edward Brown & Sons, hit straight

from the shoulder in a forceful address on a delicate subject, "Politics and the Insurance Business." The program concluded with the showing of the Aetna Casualty's newest film, "Aetna On Guard." On Guard.'

The golf and horseshoe tournament were held. These were followed by a cocktail hour, buffet dinner dance and professional entertainment. Two orchestras entertained during the evening.

One of the resolutions that was adopted opposes the operation of underwriters annexes and urges that as soon as practicable all such instrumentalities retired from operation. A number of the other state associations in the west have adopted similar memorials. The resolution states that there are plenty of insurance companies in the far

according to the resolution, is undesirable and prejudicial to the business, and

creates many evils.

Another resolution referred to complaints that have been received that cer-tain Pacific Board companies have made arrangements with the Grocery Men's Association and others whereby the in-surance is written other than by local agents, the commission is sent east and afterwards returned to the merchant. "The committee believes," the resolution states, "that if those companies would states, "that if those companies would cease their unethical practices and confine their efforts on their natural enemies and assist in returning this business to properly constituted local agents the situation would be improved."

Another memorial requested that the league give attention to the practices of certain financial institutions in dictating the placement of insurance on properties on which these institutions have made loans. These practices continue to con-stitute a serious problem to the local

agent, the resolution states.

Commissioner Sullivan in another resolution was requested to exert every possible effort to halt the practice of auto dealer agents retaining dividends on policies written through mutual and

other dividend paying companies.

Cooperation of the agents' league is offered in another resolution to the Washington Association of Firemen in promoting the creation of fire protection districts. Extension of rural fire pro-tection, the resolution points out, is a constructive movement

SULLIVAN'S ADDRESS

Commissioner Says Department Still Favors Auto Rate Stabilization-Notes Misrepresentation

Commissioner Sullivan of Washington, in addressing the annual meeting of the Washington Insurance Agents League, indicated that he is still pretty well committed to the idea of rate stabilization and parity in the automobile field in his state.

The various plans of underwriting

automobile business, including rate cuts, have created chaos in some jurisdictions, have created chaos in some jurisdictions, he declared. The controversial rate filings have not yet been submitted in Washington but the department is watching their progress in other states, he declared. The department has not yet determined whether the new filings should be brought into use in Washington Sing 1026 he should the head ton. Since 1935, he observed, there has been a substantial stabilization of rates been a substantial stabilization of rates in Washington with three or four minor exceptions. The great majority of the business is on a standard basis. The department, Mr. Sullivan said, has been criticised at times because of this pro-gram but he asserted that it has enabled the state to enjoy a rate level that com-pares favorably with other states. Most of the companies have enjoyed an improvement in their business moralization has been avoided.

moralization has been avoided.

He said he does not condemn the plans that are in use in other states. Their value can only be determined by underwriting experience. The department, he recalled, has held several conferences with the companies and with representatives of the agents. As a result it was decided to issue a call for complete experience on private P. L. and P. D. business. This call is returnable Nov. 1. It breaks down the experience by territory and class. The department intends to pool the experience of all types of carriers. of all types of carriers.

The department is making a cost comparison with other territories to ascer-tain whether the rate level for Washing-ton is on as favorable plane as that of other jurisdictions since the adoption of the new plans. Hasty action will be avoided and for the time being the rate schedule will remain as it is.

Mr. Sullivan expressed gratification

west territory and that the operation of underwriters agencies as an adjunct to the parent company is wholly unnecessary. The operation of such a system,

have attempted to "high pressure the public into purchasing bodily injury and property damage insurance on the strength of this new law."

The department strenuously objects to agents advising the public that the new act makes third party insurance of pulsory. There have been one or complaints of agents advising their clients that the new law required all complaints motorists to carry fire, theft and colli-sion as well. Agents who so misrepre-sent the situation may have their licenses revoked.

Mr. Sullivan said that in recent weeks

there have been numerous heavy indus-



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CAMDEN FIRE **Insurance Association**

Camden, New Jersey

trial fire losses in the northwest. Due to the fact that there has been a favor-able loss ratio for several years, these recent occurrences have not thrown the experience figures completely out of balance. "While we, of course, regret these extraordinary losses, it must be remembered that the fire insurance business." ness has been suffering in recent years, an abnormally low loss ratio," he said. "I feel that this low loss ratio has been responsible for much illicit rate cutting, since underwriters have been lulled into a spirit of carelessness. These heavy losses should reawaken us all to the necessity of sound underwriting prac-tices. I believe this adverse experience affords an opportunity for capable agents to impress on their clients the need for a well serviced, adequate fire insurance program.

PRESIDENT'S MESSAGE

Harry Paxton, in reporting a president, referred to the situation that was created by the action of two major oil companies in circularizing their commission agents, demanding that they cancel their existing policies with local agents and place them with the oil companies' blanket policies. Through the efforts of R. H. Ensign as chairman of the lines placed out of state committee and through the efforts of Commissioner Sullivan, this business was kept in the hands of the agents.

hands of the agents.

Last October there was a threat that the automobile P. L. and P. D. rate structure would be disrupted. The agents league cooperated with the Casualty Insurance Association of Washington and the Northwest Automobile Conference to avoid a disturbance. As a result Commissioner Sullivan requested a 90-day waiting period during which time no new filings would be which time no new filings would be made. Rates were maintained for the made.

time being.

This spring some of the new filings were accepted and a rate war seemed to threaten. The members of the agents were polled and the majority favored parity in rates on the part of all companies. Further conferences were held and a hearing was conducted by the insurance department, which was attended by bureau and non-bureau representatives. The agents committee reresentatives. The agents committee requested that special filings be prohibited and a stabilized rate level based on actual experience established. Shortly thereafter Mr. Sullivan announced that he would issue a call asking for the experience of all companies on P. L. and P. D. Sixty days may elapse before the result of these findings is determined. In the interim no new filings will be accepted. accepted

Paxton commended the agents and companies for cooperating in the fidelity educational and B. D. O. programs.

As of Aug. 1, membership in the Washington League was 291, about the same as the previous year.

the passage by the recent legislature of the financial responsibility law. The agents qualification law is not function-

ing as it should, he said.

The governing committee has sought to get the assistance of the department in eliminating automobile dealer agents of Northwestern Mutual Fire allegedly retaining the dividend on premiums paid by car purchasers. The department takes the position that an attorney gen-eral's opinion dated January, 1920, makes it impossible to take any further action. Mr. Paxton recommended that the league urge the commissioner to consult the present attorney general and not abide by the old decision.

Reviews Legislative Season

John N. Sylvester, speaker of the house in the Washington legislature, in his address analyzed and commented upon the new financial responsibility law. The effect of the law has already been to reduce the number of reckless and drunken drivers, he said. Some 460 drivers have already lost their licenses and of this number only 15 have received them back by purchasing an inwho lost their licenses during the same period last year. Right after the act took effect there was a great increase in the number of liability policies and the normalized the same period last year. mal daily average of about 500 policies being written in Washington jumped to

as many as 2,500 policies on some days.

Mr. Sylvester said he has been advised that it is desirable to make certain changes in the agents qualification act that was passed in 1937. It should be possible, he said, to develop a desirable

law.

Mr. Sylvester mentioned that the legislature specifically excluded insurance agents from the unemployment compensation act. He expressed the belief that so far as insurance is concerned the 1939 legislature made wise decisions.

Sees Government Threat

Arthur M. Brown, Jr. of Edward Brown & Son general agency of San Francisco, in his address on "Politics and the Insurance Business," asserted that the trend of today is more and more towards the taking over of insur-ance as a governmental function. "For instance, there is the growing practice of cities, counties, school boards, etc., to experiment with self insurance funds. to experiment with self insurance funds. Then there are state funds. In California the state compensation fund writes about half of the business. Constant efforts are being made politically to get various states into the automobile insurance business. The alphabetical agencies at Washington are seeking to replace private insurance with other schemes. He mentioned the federal crop insurance plan that competes with prinsurance plan that prinsurance plan that competes with prinsurance plan that plan that plan insurance plan that competes with private hail insurance. The old age retirement pension is life insurance under another name, he asserted.

As of Aug. 1, membership in the Vashington League was 291, about the time as the previous year.

Mr. Paxton spoke with satisfaction at invading the insurance field and sup-

Former President Is a Dynamic Personality



FRED J. COX

At the annual meeting of the New Jersey Association of Underwriters at Asbury Park this week, one of the dynamic ex-presidents of the National Association of Insurance Agents, who now is seldom heard at conventions, Fred J. Cox of Perth Amboy, N. J., will return to the rostrum. Mr. Cox is a past president of the New Jersey association and he will respond to the tribute to the past state presidents given by H. D. Holmes of Summit, N. J., the present president. Mr. Cox in his day was one of the towering figures in the National association. He belonged to that robust group that brought about the rejuvenation and practical reorganization of the national body. The eminent trio were E. M. Allen, now executive vice-president of the National Surety, who was a local agent at Helena, Ark., the late James L. Case, Norwich, Conn., and Mr. Cox. Mr. Cox served as chairman of the executive committee for two years when Mr. Allen was president and then he became president bimself with At the annual meeting of the New years when Mr. Allen was president and then he became president himself with Mr. Case as chairman of the executive

porting those who believe in preserving private insurance. The agents should impress upon politicians that some one

Lucas on Program of Missouri Agents

KANSAS CITY — Superintendent Lucas of Missouri has accepted an invitation to address the annual convention of the Missouri Association of Insurance Agents at Excelsior Springs, Oct. 23-24. R. W. Forshay, Anita, Ia., national chairman of the rural and farm agents program, will discuss that subject at the meeting, and will represent the National

meeting, and will represent the National Association of Insurance Agents executive committee.

Loren Garlichs, St. Joseph, former president Missouri association, will discuss the National association's fire prevention work, of which he is chairman.

Ashton General Chairman

J. H. Ashton, Kansas City agent, has J. H. Ashton, Kansas City agent, has been appointed general convention chairman by W. J. Welsh, Mann, Barnum, Kerdolff & Welsh, here, association president. W. J. Griffey, Excelsior Springs, is a member of the committee. Reid Cloon, R. B. Jones & Sons, here, is attendance chairman for the state.

is attendance chairman for the state. A special Kansas City committee has been appointed for the convention by F. V. Griffith, president Kansas City association. Members are J. H. Ashton, Orville Anderson, Harry Gambrel, Cliff Johnston, Robert Ely, Harry Bennett, Louis McGee, Arnot North, Sam Busler, C. M. Hoose, O. B. Simmons, W. S. Mann, Ernest Winegarden, and J. B. Wallace. Wallace.

the development of rural fire protection that this condition will come whether they work for it or not, and that agents will suffer seriously if they allow nonstock and non-agency carriers to take the initiative away from them. The three main items in rural fire protection, telephone communication, roads and equipment, have advanced to a point where expansion of rural fire protection is not only inevitable, but well under way. The situation can be turned to the advantage of agents, because there are many rural properties not now insured advantage of agents, because there are many rural properties not now insured because of high cost, many greatly underinsured and many which may be taken from non-stock carriers. An agent who gets into the active promotion of the idea in his community can develop considerable business from the fire district itself, such as insurance on fire stations, fire apparatus and accident insurance for the firemen. surance for the firemen.

Three Recognized Districts

mpress upon politicians that some one insurance man knows every property owner in a community and in every community in the country.

Rural Fire Protection

A. J. Peters, Issaquah, chairman rural agents committee, reported that rural fire protection has occupied all the time of his committee during the past year. He warned agents who are worried about reduction of premiums because of

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Emmco Is Charged With Rebating in Ohio

COLUMBUS.—Emmco of South Bend, Ind., has been summoned to appear before the Ohio division of insurance Sept. 14 to explain a charge that it has rebated on insurance premiums to the Mutual Finance Co. of Cleveland. Some time ago the finance company brought suit against the state depart-ment of securities asking for a declaratory judgment in the same case. Emmco is one of three insurers affiliated with Associates Investment Company

Fights Oil Well School Closing

VANDALIA, ILL.—The directors of the Fayette county school district affected by the order of Director of Insurance Palmer banning the use of a new school building on the grounds that its use would be "extremely hazardous" because of its proximity to oil wells have cause of its proximity to oil wells have appealed to the Fayette county court in an effort to have the order set aside. Palmer's order is the first of its kind ever issued by his department. It resulted from a statewide survey of fire and explosion hazards in the new oil fields of Illinois. The order was directed against the Wright school located just north of St. Elmo, Ill., the center of much oil activity.

The oil wells are within 14 and 18 feet of the school building and Director Palof the school building and Director Pal-mer said there is danger that natural gas from the wells may seep into the base-ment of the building and become ignited by the heating plant. He declared that the natural gas from these oil wells is similar to that which caused the disas-trous New London, Tex., school explo-sion in 1937

Tenn. Work Is Coordinated

NASHVILLE - Commissioner Mc-NASHVILLE — Commissioner McCormack announces that as a result of meetings held with various representatives of the Tennessee department of insurance and banking during the fire marshal's school held here a coordination of field inspection for insurance license division, insurance claims division, and small loans regulation etc. was efand small loans regulation, etc., was effected throughout the nine districts of

Redrafting Chattanooga Rates

CHATTANOOGA — The National Board begun several months work re-Board begun several months work required to rerate Chattanooga property due to the city's promotion from fourth to third classification. Commissioner Eugene Bryan estimates that the reclassification will mean an annual reduction of \$175,000 in premiums.

Charles Donnelly, president of North-ern Pacific railway, who died at St. Paul, was a director of St. Paul Fire &

J. L. Randel of the Mytinger & Randel agency, Wichita Falls, Tex., has bought the interest of J. C. Mytinger.

U. S. Judges Uphold Va. Law on Countersignature

Companies Lose in Important Test Case— Appeal Is Predicted

RICHMOND, VA .-- A three judge federal court in an opinion handed down here Wednesday upheld the validity of the Virginia countersignature law and dismissed the petition of the complainants asking for an interlocutory and permanent injunction against the state corporation commission to restrain it from enforcing provisions of the act which court held are not unreasonable. The law was passed at the 1938 session of the Virginia general assembly. Com-plainants were the member companies of the Association of Casualty & Surety

Executives.

The opinion was written by Judge

The opinion was written by Judge

Other jurists in

The opinion was written by Judge Soper of Baltimore. Other jurists in the case were Pollard of Richmond and Way of Norfolk, Va.

"Our conclusions of law are that the requirements imposed by the act of 1938 upon the plaintiffs with regard to contracts of insurance made outside of Virginia are not beyond the jurisdiction of ginia are not beyond the jurisdiction of the state," the opinion declared, "that the provisions of the act are not arbi-trary and unreasonable or in violation of the federal constitution and that the or the rederal constitution and that the prayers for interlocutory and permanent injunction should be denied and the bill of complaint should be dismissed."

That the case will be appealed seems to be a foregone conclusion.

Associations Quit Insurance

COLUMBUS—The Ohio Petroleum Marketers Association and the Ohio Association, which had been en-Bakers Association, which had been engaged in the insurance business without obtaining a license, have discontinued the practice, following a conference with Superintendent Lloyd, who pointed out that they were operating in violation of the insurance laws. The Petroleum Marketers Association was placing gasoline tax bonds for its members. The line tax bonds for its members. The other association was offering to procure products liability insurance for its mem-

Mammoth Casualty of Lincoln, Neb., organized to write health and accident insurance on the assessment plan, has filed application with the Nebraska department for authority to transact business. Incorporators are R. L. Dunn, L. E. Ramage, Clarence A. Halpeny, Wal-

ter E. Hager, Paul Mills, J. A. Brown, W. O. Brown, E. M. Bair and John P.

Agent's Authority in Cancelling a Policy

The New Jersey supreme court in the case of Derbyshire et al. vs. National-Ben Franklin had before it the scope of Ben Franklin had before it the scope of an agent's authority in cancellation of a policy. The plaintiff owner and mortgagor, with the knowledge of the mortgagee, engaged one Ronca to obtain a policy on the mortgaged dwelling and advised the agent to deliver the policy to the mortgagee. Ronca obtained the insurance and delivered the policy to the mortgagee. Later under the presense of examining the policy to determine whether the property which it purported to insure was properly covered by it, the agent, without the knowledge of the assured, surrendered the policy to the defendant company and received the of the assured, surrendered the policy to the defendant company and received the earned premium. The dwelling was completely destroyed by fire after the concellation had taken effect, and the as-sured sought to hold the company, claiming that the agent had no author-ity to cancel the policy. The power to cancel was not incidental or implied from the power to preque insurance. from the power to procure insurance, nor did the retention of the policy by one whose authority was originally re-stricted, enlarge the scope of authority so as to include the right to cancel. The court found that the policy was not effectively cancelled by the act of

Ronca, therefore, there was a verdict of \$2,000, together with interest for the premium not received by the company in favor of the plaintiff.

Pink Answers in Injunction Suit

The New York department has filed an answer in the New York supreme court to the suit for an injunction brought by Northwestern National of Milwaukee. Northwestern National brought its action when Superintendent Pink threatened to revoke its license for the alleged payment of excess commis-

Hardware Mutual Must Pay

In Sundquist vs. Hardware Mutual Fire, et all the Illinois appellate court, second district, gave judgment against the insurers, in the amount of \$9,259. Hardware Mutual and two other com-panies issued \$8,000 insurance on the panies issued \$8,000 insurance on the stock of merchandise of Sundquist in 1935 and several months later issued an additional policy of \$1,000. Property was destroyed by fire Dec. 24, 1936. Sundquist presented to the insurers a

Sundquist presented to the insurers a detailed and itemized proof of loss together with his inventory of May 1, 1936, giving the quantity, description and value of each item in evidence. Kroos, an adjuster that was employed by Sundquist, and several other witnesses testified in behalf of Sundquist as to the value of the merchandise.

walue of the merchandise.

While Sundquist may have testified to greater value than other witnesses, still,

according to the court, it does not fol-low that his testimony was false within the meaning of the terms of the policy. False swearing in a proof of loss in order to avoid the policy must be willful and with intent to deceive and defraud

the insurer.

Four months prior to the loss, a representative of Hardware Mutual visited Sundquist's store, made a checkup and advised him to buy the additional \$1,000 of insurance.

One of the issues raised was whether One of the issues raised was whether Sundquist set fire to the property. The jury specifically found that he did not. While Sundquist was not required to prove the cause of the fire, the record contains evidence from which the jury might have inferred that it was caused by gas escaping into Sundquist's been by gas escaping into Sundquist's base-

Electrical Burnouts and Similar Losses

Question-My client has installed new motors for the elevators in an office motors for the elevators in an office building and wishes to protect them against electrical burnouts and similar losses. The electrical exemption clause in fire insurance forms in our state ex-cludes such losses. Is there any way in which I can cover this hazard?

Answer—The best coverage would be power plant policy, issued through the boiler and machinery department of a casualty company. This policy would cover your client against various types of machinery breakdown, depending upon the machine involved, and would upon the machine involved, and would cover not only damage to the machine itself, but damage to other property caused by an insured accident and the assured's liability for damage to the property of others as a result of any insured accident. The assured would also have the benefit of regular inspection service. We know of no fire insurance coverage which would completely cover this case. cover this case.

Court Decisions in Brief

The Florida supreme court in L. & L. The Florida supreme court in L. & L. & G. vs. Orrell says that the requirements in the standard policy that the insured shall give notice of loss and make proof of loss are conditions precedent to the right to sue, but failure to give notice will not invalidate the policy or work a forfeiture of the insured's rights in the absence of a stipulation to that effect. that effect.

The New Jersey supreme court in Derbyshire vs. National Ben Franklin Derbyshire vs. National Ben Franklin holds the authority of an agent to cancel a policy was not incidental to, or implied from, the power to procure insurance, nor did the retention of the policy by such agent, whose authority was originally restricted, enlarge the scope of authority so as to include the right to cancel right to cancel.

Be a jinx chaser on **Hoodoo Day**, Friday, Oct. 13, by selling accident insurance. Send 10 cents for complete sales plan to A&H Review, 175 W. Jackson Blvd., Chicago.

COMPANY INDIANA INSURANCE A STOCK COMPANY CHARTERED 1851 - OPERATING ONLY IN INDIANA

Capital, Surplus and Reserves for Protection of Policyholders over \$900,000.00

HOW about anagency contract with a Company that will help an agent when helpis needed?

AUTOMOBILE

All Lines in One Policy

FIRE and WINDSTORM

Combined coverage, equal or unequal amounts, in one policy. Excellent reinsurance facilities.

INLAND MARINE

and All Risk Floaters

PLATE GLASS

Unexcelled contracts

SPECIAL AGENTS SEYMOUR L. BRAMAN ERNEST NEWHOUSE EMERSON NEWHOUSE HAROLD H. WELLS

COOLING-GRUMME-MUMFORD CO., Inc.

Riley 6452

Consolidated Bldg., Indianapolis

EDITORIAL COMMENT

C. C. Neslen as Man of the Hour

been made as to the substance of conversa- committee meetings on other subjects. tions that C. C. NESLEN of UTAH had with insurance commissioners of New England, the east and the south during his recent who is the new president of the NATIONAL ERS, was undertaking to close the wounds June annual meeting at SAN FRANCISCO. Mr. NESLEN is a man whose character and ability are recognized. He is a westerner and he has the confidence of the eastern commissioners. Although the eastern group wanted JOHN C. BLACKALL of CONNECTIcur for president, they quickly decided against a contest when they learned that and southern commissioners. Mr. NESLEN thus has an excellent opportunity to repair the damage that has been done in the association during the past two or three years because of the emergence of a bitter spirit of sectionalism, centering about the convention examination issue.

The most responsible leaders in the association throughout the country realize that another meeting such as that at SAN FRANcisco would come close to piling up the organization on a rocky shore. It is unthe Gulf Coast winter meeting to be completely harmonious and constructive. It is understood that he will strive to have discussion of the examination issue entirely eliminated at that time, and that instead he will seek to have the members devote their attention to worth while subjects that can be approached without bristling. At the past few meetings of the association, the members have been so absorbed in the fight over the examination issue that they prove to be the man of the hour,

ALTHOUGH no official statements have have been practically unable even to hold

Although some of the eastern commissioners are reported to have left SAN Francisco in rancor and although one or trip, the assumption is that Mr. NESLEN, two were advocating holding a rump convention of eastern commissioners, it is re-ASSOCIATION OF INSURANCE COMMISSION- ported that they have regained their composure and, as a matter of fact, are now that were opened in the organization at the adhering rather closely to the six-zone examination procedure. On the other hand, some of the western and southern states are striving to the best of their ability to comply with all reasonable requests that will reduce unnecessary expense on convention examinations.

The expectation is that the BILOXI meeting will be one of the most intelligently MR. NESLEN was the choice of the western planned affairs in the history of the association. It is possible that talks will be made by persons of national importance, that there will be impersonal discussion of important insurance matters. It may be anticipated that such points as unauthorized insurance, weak capital structure, lack of sound agency representation, claim practices and other basic principles of insurance will be openly discussed.

The meetings that Mr. NESLEN had in BOSTON with the NEW ENGLAND commissioners and at MEMPHIS with the southern doubtedly Mr. Neslen's intention to cause commissioners are reported to have been pleasant and constructive.

Due to the death of J. BALCH MOOR, the DISTRICT OF COLUMBIA superintendent, a new vice-president had to be elected. Mr. NESLEN desired that Mr. BLACKALL be chosen and in the unanimous election of the CONNECTICUT commissioner, the business can take the largest measure of satisfaction.

It is very likely that Mr. NESLEN will

Credit Due Modest Workers

present day is that most people are much more concerned with what they can get rather than what they can give and they concentrate on the immediate rather than the ultimate return in their efforts. There are exceptions to this and the insurance business has its quota. It would be inconsistent to mention names, but the attitude of some men is especially commendable in that they have been willing to render yeoman service for a common cause and yet at the same time remain in the background because they feel it is in the best interest for the cause.

ONE of the characteristics of the deal in the public relations work. Instead of going out and making speeches so that he could be featured in the headlines, he prepared material and encouraged others to do the talking, assisting them as much as they needed. He realized that the activity was for the whole business, that it wasn't a one man job, so that he needed the cooperation of all. In doing this he didn't attempt to be the leader and have everybody else following him, but he worked on the basis of having every cooperator a

In another case because of lack of erest for the cause.

One of these men has done a good asked to serve a second term. The manager of the lost of all old Colony. He has also headed the Mill Mutuals agency since its organimaterial the head of an association was

aged the next in line to do as much as responsibility. In publicizing the program he insisted that all the credit be given to the second man.

There are other examples of men who realize for the good of the common their share of work without public com-

planning of the program for the annual background. In many cases an associameeting rested a great deal upon his tion or movement is hampered by being shoulders and he was willing to assume a one man organization and a "let the responsibility. However, he encour- George do it" attitude results. As no organization is any stronger than its possible to develop himself for future individual members it gradually deteriorates under a one man rule. To men who are willing to assume leadership without fanfare and are willing to assume responsibility and do more than cause it is best that they keep in the mendation a great deal of credit is due.

PERSONAL SIDE OF THE BUSINESS

A valuable survey, "The Cotton Situa-tion in the Southeastern States," has been prepared by General Manager B. K. Clapp of the southeastern department of the Fire Companies Adjustment Bureau at Atlanta. The pamphlet enters very thoroughly into the presentation of physical hazards.

Sims Bray of the southeastern depart-ment of the Fire Companies Adjustment Bureau, who has retired after 25 years of active service, was presented a set of sterling silverware by the Atlanta staff.

The two sons of Ernest Palmer, Illi-The two sons of Ernest Palmer, Illinois director of insurance, are now located in Chicago. Ernest Palmer, Jr., who graduated from Amherst, started in his law course at Leland Stanford University, thinking that he might locate on the Pacific Coast. However, after being there he became convinced that his fortune lay in Chicago and, therefore, he is entering Northwestern University Law School this fall. Bradley Palmer, who graduated from the University Law School this fall. Brau-ley Palmer, who graduated from the University of Michigan, is taking the insurance salesmanship course with W. A. Alexander & Co. of Chicago. He spent some of his vacations at the Illinois insurance department. Both sona are young men of splendid ability and possess very pleasing personality.

W. J. Rice, assistant manager Norwich Union at the head office, is visiting the United States. He intends to go to the coast and then to Toronto.

Arthur Jens, an engineer for Spring-Arthur Jens, an engineer for Spring-field F. & M. in the western department in Chicago, has been appointed alumni editor of the "Engineer," publication of Armour Institute of Technology. Mr. Jens graduated from Armour in 1934 in the fire protection engineering department.

A. D. Baker, president of Michigan Millers Mutual Fire, was honored in Lansing at a testimonial luncheon in recognition of his 50th anniversary of active service. H. E. Wilson, vice-president, presented Mr. Baker with a wrist watch and an autographed book of congretations with the way to the construction of the construction congratulatory letters from employes. Approximately 250 members of the or-

Approximately 250 members of the organization attended.

Mr. Baker, who has been active head of the mutual for 41 years, entered the organization a half century ago as an "office boy and field man" after graduating from Michigan State Coleman. lege. Later he organized the Commercial of Lansing and served as its president for some years as well as serving as western manager for the Boston and

with having inspired organization of the Mutual Fire Prevention Bureau in Chicago and long served as president of that organization. He also helped promote the Improved Risk Mutuals of New York.

Dan Gallagher of Chicago, chief accountant for Western Actuarial Bureau, has returned from a vacation trip to Jasper National Park in the Canadian Rockies

R. B. Goodcell, former California commissioner, has reentered the practice of law in Los Angeles in partnership with Judge R. M. Clarke.

Charles Smrha, Nebraska insurance director, is attending the annual convention in Atlantic City of the National Association of Spanish War Veterans, as a state delegate. Mr. Smrha, as a member of a Nebraska regiment, saw active field service in the Philippines.

Commissioner O. F. Erickson of North Dakota, who has been ill for sev-eral months, has returned to his desk.

DEATHS

W. H. Graebner, 85, founder of the Badger Mutual Fire in 1887 and of the local agency now operated by his daughter, Agnes M. Graebner, died at his home in Milwaukee. He was secretary of the Badger for about 40 years.

F. F. Everest, 70, president and one of the founders of Greenshield & Everest agency, Council Bluffs, Ia., died at his home from a heart attack. He was a trustee of Grinnell College for 20 years and active in civic affairs. A son, C. B. and active in civic affairs. A Everest, is with the agency.

Mrs. F. D. Carr, wife of the Iowa state agent of Springfield F. & M., died in Des Moines after a long illness. She was the mother-in-law of P. J. Payseur of Phoenix of London, and A. J. Danziger of Crum & Forster, who was recently transferred to the east.

E. F. Allison, senior accountant in the liquidation department of the California department for eight years, was found dead in his automobile as the result of carbon monoxide poisoning. He had been missing from home for several

H. L. Grieb, 88, local agent in Milwau-kee for over 30 years before his retire-ment in 1917, died at his home there.

O. B. Hanssen, 65, and adjuster for Thomas McGee & Sons of Kansas City 20 years, died there. He retired three years ago.

EVERY THURSDAY



NATIONAL THE

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Action Taken by Canadian Officials Is Analyzed

(CONTINUED FROM PAGE 4)

standardizing of sickness contracts was specially commended.

It was recommended that Ontario and Quebec prepare a basis for uniform statistics for life, fire and other statistical information to be used in the published reports of the insurance departments. It was also recommended that all departments prepare and publish statistics on this uniform basis. The report on valuation of securities

was approved.

It was recommended that the committee hold meetings to consider the recommendations of the all-Canada Fire Federation to which meetings repre-sentatives of the life insurance com-panies would be invited.

Reports on Balances Revised

It was recommended that quarterly returns of agents' balances he required by all provinces. Effective June 30, 1940, quarterly returns will include bal-ances 60 days in arrears, instead of 90 days. The return will be required to be filed within 15 days after the end of each quarterly period.

It is recommended that other than life companies, through their organizations, consider the preparation and adop-tion of inter-company agreements for the selection and recommendation of agents for licenses and submit a report thereon to the standing committee of superintendents. It was suggested that a committee comprising Ontario and Quebec meet with representatives of the other than life companies with a view to forwarding the adoption of such intercompany agreements, this committee to report at the next conference. Recom-mended that the departments of insurmended that the departments of insur-ance, which have the facilities, prepare statistics on licensing of agents on the basis contained in the report and to file same each year with the committee. Recommended that provinces which have no provisions in their insurance act requiring licensing of insurance ad-insters each provisions along the lines justers enact provisions along the lines of those now contained in the acts of certain of the provinces.

It was recommended that all interested provinces enact a marine insurance

act similar to that now in force in British Columbia.

British Columbia.

Recommended to the committee on definitions and interpretation that the definition of hail insurance be revised along the lines of the definition contained in the report considered at the conference, and that the revised hail part referred to in the report be called to the attention of the interested prov-

"Ad" Men Plan to Stage "Information, Please" Skit

(CONTINUED FROM PAGE 3)

promises to be entertaining and educational. Through arrangements with the sponsor of the original radio feature, the program will be modeled, the cash reg-ister will ring and prizes will be awarded to agents who "stump the experts.

Selections for the cast were made on the basis of avoiding conflicts with the

the basis of avoiding connicts with the I.A.C.'s own convention program which will immediately precede the National association meeting.

R. C. Dreher, president of I.A.C., invited questions from any member of the National association. The questions, which should have to do with the probawhich should have to do with the prob-lems of advertising confronting an agent, should be addressed to Mr. Dreher, advertising and sales promotion manager Boston Insurance Company, 87 Kilby street, Boston. He will re-fer the teather teather comparing for agent, should be addressed to Mr. Dreher, advertising and sales promotion manager Boston Insurance Company, 87 Kilby street, Boston. He will refer them to the proper committee for editing.

One of the purposes of presenting advertising ideas in this way is to sell the

Aetna Life Head Sees Business Surge as Result of War

COLORADO SPRINGS-At the annual regional life meeting of the west-ern division of the Aetna Life, Presi-dent M. B. Brainard stated that on the eastern seaboard all the talk relates to the war, a condition he does not find in the west. People in the east, he added. seem nearer to the scene of action. He believes that the people of this country have a more intelligent and sensible view of what attitude this country should as-sume than they did at the time of the world war.

President Brainard hopes strict neutrality will prevail. He urged all to keep their heads clear and not be influenced by propaganda that will be dished out by both sides. The immediate economic effect on this country, he predicts, will be beneficial. There will be a demand for products of various kinds and unem-Therefore he anticipates an upward surge in business, He qualified his statement by saying that events are moving swiftly and hence one's views may need to be altered.

agents the idea, "Don't be afraid to ask questions of your company advertising

Mr. Dreher wants it understood that should any question apparently "stump the experts," it is all in the interests of showmanship.

showmanship.

The cast includes R. E. Brown, Jr., superintendent of advertising Aetna Life; W. Leslie Lewis, advertising and sales promotion manager Agricultural; Clark W. Smitheman, advertising and production manager Camden Fire; C. J. Fitzpatrick, vice-president United States Fidelity & Guaranty; Arthur D. Grose, superintendent publicity department for Employers' group; and Mr. Dreher. In addition, every member of the LAC. addition, every member of the I.A.C. will play a part "behind the scenes" and will cooperate with the agents in trying to "stump the experts."

REJECTED RISKS

All parties concerned except the loss supervisor and, presumably, the culprit found considerable amusement in a recent inland marine claim. The assured reported the theft of a set of the most elaborate golf equipment, used only once and costing about \$175. The thief's dis-comfiture, reported the assured, will come when he discovers the clubs are left-handed.

Marvin Simmons, Omaha barber, re-ceived a judgment for \$5,000. Simmons claimed that as the result of a shock claimed that as the result of a shock sustained in an automobile accident, his hair came out in patches. He says that this so alarmed former patrons that they stayed away from his place of business by the dozen, and finally ruined what was once a profitable enterprise.

In speaking of undeveloped insurance lines, Secretary John A. North of the Phoenix of Hartford recently reported an incident in correspondence from H. M. Magill, for many years western general agent of the company in the '80s, which he said brought into play an inquisitive protection-minded woman in frontier Kansas. It is typical of that period in the insurance business, Mr. North said. Mr. Magill's letter is as fol-

Cincinnati, Ohio.

therewith. Neither do we suppose that any other reputable fire company does, but only such companies as must resort to some ludicrous method or worse in order to get any business. One would hardly expect to find ready-made horseshoes for sale at a millinery store, yet such a commodity would have as fit a place in such a stock as windstorms would have in the business of fire insurance. Now, do we not speak the truth?

Yours very truly,"

H. M. Magill,

General Agent.

P. S. If against wind, why also not against rain, hail, crushing by snow, accidents caused by faulty construction of buildings, etc., etc. The proposition, Mrs. Dodds, is too absurd for any strictly legitimate fire insurance company to consider for one moment.

George L. Cady of Manchester, N. H., special agent North British & Mercantile, runs across some French Canadian policyholders along the border. Not long ago his company had a peculiar automobile loss in Berlin, N. H. The automobile loss in Berlin, N. H. The agent desired that Mr. Cady handle the case himself. The assured made the following statement:

"By crime she koal, she gonna make heem peelow. Marie she, say, 'Paul you gotta make fix dat radiator or she bust

sure dam when it come peelow dat freeze.' So I take heem car to fill' stashun, Jo Kellay. I say; 'Jo, you drain heem ut dat radiator and push heem in what y' call 'em a glicerin.'
"I go hinside by dat little side door and den come d'hout side and de coovere hee deurs and des says the best de l'article.

shes down and da cap shes by d'radi-atoor and I say:

atoor and I say:

"'Hokay Jo?'

"Jo say 'hokay' and I say 'hokay.'

"Just one tousand feet do I go and gees's crime she blow. Sacre mon dieu, the fire departmen she come and wash em ut da fire, by crime she won beg won. Poleece come also and gon h'arest won. Poleece come also and gon h'arest me. I say we see Jo. We go see Jo and I say 'Jo what for you put by dat radiatoor?' Jo he one beeg dam fool, he say I ask him gassolene for two galoons. Now you make goot settal-ment for my klame, eh?"

W. E. Wright, for six years legislative counsel for the Missouri workmen's compensation commission, has entered the private practice of law in Kansas City, specializing in compensation matters. He will be associated with Ray W.



Each month this year our agents are reeach mount this year our agents are re-ceiving from us absolutely FREE novel ceiving from us absolutely PREE novel tract immediate attention, that carry a forceful coverage message and that help SELL more insurance of all kinds. All the agent has to do is to pay the postage-11/2c per card!



We'd like to see YOU take ad. vantage of this unusual company cooperation—if you're not already one of our agents using it. To secure this free advertising, which actually costs us

about 4c per card to produce, all you have to do is to become one of our agents! Address O. P. Rush, vicepresident.

KANSAS CITY Fire and Marine

INSURANCE COMPANY

CHICAGO OFFICE: INSURANCE EXCH.

KANSAS CITY, MISSOURI

CAN YOU GUESS

Which was the Most Popular Window Card With Agents?

These six posters are part of a series of thirty-eight posters issued over a period of two and a half years for use by Travelers agents who display posters in their office windows and on their counters.



EVERYONE SHOULD review his insurance policies periodically with someone who knows insurance. You are cordially invited to avail yourself of our service at any time without charge and without obligation. THE TRAVELERS





AS SURE AS THE SUN SETS

GUESS FIRST then read this fine type

Every one of these posters met with the approval of Travelers agents. Number 4 rated highest in popularity, followed very closely by Num-ber 2. Indications are that Number 2 (recently published) will reach an all-time high in popularity among agents.

TheNATIONAL UNDERWRITER

September 7, 1939

CASUALTY AND SURETY SECTION

Page Nineteen

I. C. C. Affirms Rule VIII on **Company Licensing**

Declines to Relax Requirement Governing Motor Carrier Insurance

The Bureau of motor carriers of the Interstate Commerce Commission announces that it has affirmed its Rule VIII that requires insurance companies to be legally authorized to transact business in each state in which their policies cover the operations of insured motor carriers, that come under the jurisdiction of the I.C.C. This rule provoked quite a controversy and a number of hearings were held. Petitions ber of hearings were held. Petitions were filed by Underwriters Service Association, Inc., American Trucking Association and Safeway Lines to seek modification, suspension or revocation of that rule. After hearings were held briefs were filed by Underwriters Service Association, American Trucking Associations, Service Mutual Liability, Iowa Automobile Underwriters Society, American Mutual Alliance, Virginia Highway Users Association and Virginia Auto Mutual. Auto Mutual.

Underwriters Service Association proposed that any insurer possessing a surplus of \$50,000 which is authorized surplus of \$50,000 which is authorized to write the required classes of busi-ness in its home state for a period of five consecutive years and has on de-posit with that state \$100,000 be ex-empted from compliance with the rule.

Surety Proposal Not Welcomed

The bureau of motor carriers pro-posed, for consideration, a form of sur-ety bond to be furnished by insurance ety bond to be furnished by insurance companies insuring motor carrier risks. Considerable opposition was registered on the part of the motor carriers associations and insurance companies. American Trucking Associations and Safeway Lines proposed that a rule be adopted under which the motor carriers be authorized to purchase insurance from any company licensed in the state of such motor carrier's domicile. These petitioners also propose that an invespetitioners also propose that an investigation be made of insurance cost and that the operation of Rule VIII be postponed until the investigation was completed.

The bureau of motor carriers stated that it felt that Rule VIII was the most satisfactory and would not unduly resatisfactory and would not unduly restrict the market available to motor carriers for insurance. The bureau mentions that 225 insurers have filed certificates of insurance for the third party lines and 218 for the cargo, thus indicating that the market has not been restricted

Since the adoption of Rule VIII, the failures of insurance companies have been confined to the smaller institutions. Some of the most serious failures in-

(CONTINUED ON PAGE 28)

Compulsory Cover Big Counsel Topic

International Association Sidetracks Report Favoring It for Auto Risks

NEW OFFICERS ELECTED

President-Gerald P. Hayes, Mil-

waukee.
Vice-presidents—L. J. Carey, Detroit;
H. W. Nichols, New York; J. T. Blair,
Jr., Jefferson City, Mo.
Secretary—R. B. Montgomery, Jr.,

New Orleans.
Treasurer—Harvey E. White, Nor-

Executive Committee—J. G. Sweet, San Francisco; T. N. Bartlett, Balti-more; P. H. Eager, Jr., Jackson, Miss.

The question of automobile liability insurance started quite a lively scrap at the annual meeting of the International Association of Insurance Counsel at Hot Springs, Va., which resulted in sidetracking the majority report of its committee on compulsory automobile insurance and financial responsibility legislation, headed by F. S. Smith of Jersey City. The report held that financial responsibility laws have not furnished an adequate remedy and recommended some modified form of compulsory in-

After much discussion, the committee After much discussion, the committee was continued, with instructions to consider farther the entire subject, with especial reference to the efficacy of financial responsibility laws and their enforcement and administration, and to confer with the various company organizations. It is to report its finding at izations. It is to report its findings at the next annual meeting and include an appropriate draft of a bill or act, if the committee concludes that legislation is necessary or desirable.

What Report Recommended

The amended majority report, as pre-

sented at the Hot Springs meeting, said: "Your committee is of the opinion that the problem is one of general public interest; that there is a considerable pub-lic demand that present conditions be remedied; that insurance companies and their lawyers, because of their intimate contact with an interest in the problem, are better able than anyone else to suggest a satisfactory solution; that unless they speedily do something to guide the remedial measures which may be taken, it is dial measures which may be taken, it is probable that such measures will be detrimental to them and to the public as well; that financial responsibility laws as presently written and administered have not furnished an adequate remedy; that the compulsory law of Massachusetts has many defects; that those defects can be in large measure, if not entirely, eliminated; and that of the presently available remedies a compulsory

entirely, eliminated; and that of the presently available remedies, a compulsory insurance law, properly written and administered, seems likely to offer a satisfactory solution of the problem."

R. B. Montgomery, Jr., New Orleans, secretary, reported the membership of the association as 1,289. The report of Harvey E. White of Norfolk, Va., treasurer, showed a cash balance of about \$18,000.

Gayels were presented to the

Indiana Revises **Auto Rate Ruling**

May Now Cut 30% Below Rate for Class W Cars Commissioner Rules

INDIANAPOLIS - Commissioner Newbauer of Indiana has amended his controversial ruling governing the writing of auto P.L. and P.D. which he promulgated at the time the National Bureau of Casualty & Surety Underwriters reau of Casualty & Surety Underwriters sought to introduce in the state its A1-A-B rating plan. Instead of prohibiting a company from charging less than 20 percent below the manual rate for class W cars, Mr. Newbauer now sets the permissible minimum at 30 percent below the class W rates. His ruling is clear that the net, effective rate shall not fall below 30 percent off manual taking into below 30 percent off manual, taking into account dividends to policyholders of participating companies, no claims bo-nuses, and all other credits and returns whether prospective or retrospective.

His original 20 percent ruling seemed to prohibit mutual companies from paying dividends that would bring the net cost below the permissible minimum, but Mr. Newbauer gave the mutual organizations a letter stating that his ruling did not affect the payment of dividends. The National Bureau companies are free in Indiana now to use the safe driver reward plan and the other refinements of rating procedure so long as the net cost does not fall below 30 percent off manual for class W cars.

Recall Allstate Litigation

The Newbauer ruling created considerable controversy. Allstate of Sears, erable controversy. Allstate of Sears, Roebuck & Co. brought an action for an injunction in federal court. This was dismissed for want of jurisdiction and a week or so ago Allstate filed a similar proceeding in the state court.

The bureau companies, it is understood have made little headway in Indiana under the 20 percent ruling. Many of the non-bureau companies fixed their

diana under the 20 percent ruling. Many of the non-bureau companies fixed their rates for all types of cars at 20 percent below the rate for class W. This gave the non-bureau institutions a rate advantage in respect of class X and Y cars, and the mutuals had a particular advantage because they could talk of dividends that would reduce the final rate below the permissible minimum. The new ruling is effective Sept. 20 and the department waives the 15 day filing period if any company desires to make an riod if any company desires to make an amended filing at this time.

Old Ruling "Inadequate

Mr. Newbauer states that he has now determined that his former ruling "fails to adequately cover all the conditions and contingencies proposed to be remedied by said ruling and those which have developed since."

If any one of the standard exclusions that have been adopted by the National (CONTINUED ON PAGE 28)

president, Milo H. Crawford, and to rer, showed a cash balance of about 18,000.
Gavels were presented to the retiring man and P. E. Reeder.

Bennett Calls on New York to Probe Lloyds Action

Requests Pink to Scrutinize Trust Deed in the \$40,000,000 Transaction

The following statement was issued Wednesday at Chicago by the law firm of Lord, Bissell & Kadyk:

"Many inquiries have been made respecting operations of underwriters at Lloyds, London, by reason of news at Lloyds, London, by reason of news accounts of evacuation measures taken in London. Cabled advices from the committee of Lloyds were received this morning by J. S. Lord, Chicago, attorney in fact for underwriters of Lloyds that Lloyds is continuing to function normally. This is taken to mean that there has been no interruption in the orderly handling of business."

In response to an inquiry from W. H. Bennett, general counsel of the National Association of Insurance Agents, Superintendent Pink of New York announces that he will make an investigation of the creation by London Lloyds in this country of a \$40,000,000 trust fund with the City Bank Farmers Trust Company of New York as trustee. The primary purpose of the fund is to make certain that in the event of a war in Europe, Lloyds will be in a position to meet their obligations under insur-ance contracts covering United States

Mr. Pink, in his letter to Mr. Bennett, states that he has the impression that the Lloyds transaction is primarily a financial one and has no bearing upon a mancial one and has no bearing upon
the legal prohibition of the New York
law against non-admitted insurance.
However, the department intends to
look into the matter.

Mr. Bennett in his letter said the
question arises whether the transaction

was primarily intended as a protection to American policyholders or as a protection to London Lloyds in order that the British government might be prevented from getting control of the \$40,-

Mr. Bennett referred to the statement that in connection with the trust agreement, claims against Lloyds on American policies that are not made within 30 days, may be enforced against the trust fund. Inasmuch as Lloyds is not licensed in New York, it would appear, according to Mr. Bennett, that Lloyds would have a perfect defense under the decision in American Security Credit Company v. Empire Properties Corporation, 276 N. Y. Sup. 970. That decision denied the plaintiff relief because the action was brought against one not subtorized to do business in New York. authorized to do business in New York. If Lloyds is about to begin the transac-

(CONTINUED ON NEXT PAGE)

Issue as to Countersignature Laws

The following provocative analysis of the countersignature law issue was made by an important insurance critic and is here presented as an interesting commentary:

and is nere presented as an interesting commentary:

"Countersignature laws, the new name for resident agent laws, represent a fight between agents, not a fight between companies and agents. The companies that resist a law like that in Virginia are fighting for agents' interests as much as for their own.

"Resident agent laws originated in the attempt to stop the raids on local business by unlicensed companies and outside brokers. They were quickly supported by state authorities, which saw their states were losing taxes on the premiums written by outsiders. Most of the resident agent laws have a provision for payment of taxes by the insured on for payment of taxes by the insured on premiums written outside the state. The combination of the official desire for taxes and the desire of the local agents for protection brought about the passage of similar laws in most states soon after the first one was enacted.

Interest of the State

"The interest of the state, of course, was not concerned with commissions, but that was the heart of the agents interest. They wanted to keep the business at home, for the sake of the commissions.

"With the development and evolution of commercial methods, and particularly the growth of the chain stores, more and more business was controlled away from the location of the insured property. The the location of the insured property. The early raiders visited towns and wrote the big risks on the spot, or at least made the sale, by mail or visit, to local men who had been patronizing the local agents. That meant a direct loss to the local agents. Under the new de-velopments the local agent has the problem of insuring his local customer

on risks located away from home.

"There is probably no important agency that does not have to cover at least one risk at various locations, and some of the locations are doubtless in other states. If this local agent has to split his commission, what does he gain from a countersignature law?

Raiders Were Blocked

"The resident agent laws plished their purpose of checking raiders. For many years they were adequate. However, the chain risk, actually controlled at some other point, kept depriving agents of commissions on lo-cal stores or local plants. These losses led to the demand for countersignature

"In present day talk, a countersignature law means a provision added to the resident agent requiring the insurance company to pay part of the commission on each outside policy to the local agent countersigning the policy. Such laws run up to half the commission, and there are two laws that give the countersigning agent all of the commission. Resident agent laws have always required countersignature by an agent within the state. The countersignature laws relate to the commission.

Pursuing an Illusion

"What do agents gain by a law forcing the sharing of the commission? Those supporting countersignature laws are pursuing an illusion. They think they will get some of the commissions on outside business. Experience shows that where a company is forced to take that where a company is forced to take away part of the commission from the agent controlling the line, and give it to the countersigning agent, this 'gift' commission is directed to favored agents. It is used as extra compensation to the countersigning agent, and the agency chosen for this gift is one where the company wants to improve its

position.

"The company has no direct interest in the commission. Where it is forced

to rob Peter to pay Paul, naturally it curries flavor with Paul, but the com-mission for Paul comes out of Peter. That is, the agent who controls and services the line has to divide his hard

earned commission.
"Companies fight countersignature laws to protect their own agents who write the business, and also to hold the business for agency companies. If the split becomes too heavy, the brokers who control the lines will find other markets.

"It is true that non-agency compa-nies have fought laws requiring payment of commissions to resident agents. but that was on principle. If they lost they could easily appoint a resident lo-cal agent at 1 percent or half of 1 percent commission.

Few Agents Are Gainers

"The countersignature laws requiring high commissions to countersigning agents are based callously on the principle that the insurance agent is a parasite and renders no economic service that the public benefits from. This is a principle that the American agency system cannot afford to concede when engaged in a struggle with non-agency companies.

"The number of agents who can profit from countersignature laws is small, because the companies naturally throw the business to favored agents. The number who have to surrender commissions they have earned includes all that ever have to service a home customer in other states."

Bennett Asks Quiz of Lloyds Fund

(CONT'D FROM PRECEDING PAGE)

tion of an insurance business in New York, as an unauthorized insurer, then the New York department, according to Mr. Bennett, should insist upon Lloyds being licensed the same as every other insurance company, pay its taxes and bring its operations in all other respects within the purview of the insurance

The question arises, Mr. Bennett states, whether the opening up of a \$40,000,000 trust estate in New York constitutes the doing of an insurance business in New York. He suggests that Mr. Pink study closely the trust deed in the hands of the City Bank Farmers Company, as it may throw much light on just what the action means with set

on just what the action means with reference to doing business in New York.
O. D. Duncan of Duncan & Mount,
United States attorneys for London Lloyds, has issued a statement in response to Mr. Bennett's letter. "If Mr. Bennett has such a poor opinion of our courts," Mr. Duncan declared, "as to believe that they would not, in cases where just claims have not been paid, give protection to American policyholders out of the very large fund created for their benefit, then he has different idea of our courts than I have

Mr. Duncan takes exception to Mr. Bennett's characterization of Lloyds as an "alien corporation." As a matter of fact," Mr. Duncan said, "the corporation 'Lloyds' has no part in the creation of and places reciproration to the corporation of the of and places no insurance and accepts

It acts as a regulatory body for the underwriters at Lloyds. are written by the individual underwriters and the corporation of Lloyds is in no way involved.

Says Citations Not Pertinent

The cases cited by Mr. Bennett, according to Mr. Duncan, are not pertinent. It is not a question of the underwriters at Lloyds bringing suit but of suit being brought against the underwriters. The cases cited by Mr. Bennett, be said werely held that a foreign see. he said, merely held that a foreign corporation doing business without authority in New York could not bring suit in New York on a contract entered into

in New York.
Mr. Duncan contended that Lloyds mr. Duncan contended that Lloyds rarely have a dispute that leads to litigation. Where such suits are brought in this country there is no question of jurisdiction involved, he declared.

Moved Out of London

London Lloyds, like many other in-surance and financial institutions of London, found it necessary under the threat of war to take precautions to pre-serve records and the lives of the staff, as well as to guarantee that operations as well as to guarantee that operations would not be interrupted by a lucky hit by enemy bombers. Lloyds has leased a great private estate in the outskirts of London and it is understood last week started moving many of the staff, currently the staff of the staff o rent records and necessary furniture and physical equipment to the new location.

In the great house on the estate, it is said, is now located the "room," so-called, where London Lloyds underwritings are exchanged.

Head Office Not Abandoned

As with other insurers London Lloyds is said to be experiencing difficulty in finding living accommodations for the finding living accommodations for the many employes and staff members in or near the estate. Only necessary personnel, it is said, was transferred, the remainder staying at the old location on Leadenhall street, where London Lloyds occupies a fine modern structure that was built not long ago.

In the basement of the Leadenhall head office are huge bomb and fire proof yoults where the permanent records it

vaults where the permanent records, it is said, are being kept.

It is understood that not all the brokers at Lloyds made the move to suburban London, but only the principal

For those who remain in the head office, all possible protective measures have been taken, including a bombproof retreat, gas masks, stretchers and emer-gency hospital equipment in case any are injured.

May Be Delay on Cables

Insurance undertakings of London underwriters in the United States may be delayed somewhat by congestion of Atlantic cables, but otherwise there is Atlantic cables, but otherwise there is little likelihood that insurance operations will be curtailed, Theodore Hogg, of Hogg, Robinson & Capel Curè, London Lloyds brokers, declared while on a visit in Chicago. He planned to go to Kansas City for a few days, then to take ship at New York for England. Mr. Hogg previously visited on the Pacific Coast for a time.

Mr. Hogg gave some interesting

Mr. Hogg gave some interesting slants on the war situation. London Lyolds, whose staff in all numbers about 20,000 persons, will not be seriously reduced by conscription, Mr. Hogg be-

Attends Life Meeting in Colorado Springs



C. G. HALLOWELL

Vice-president C. G. Hallowell of the Aetna Casualty & Surety is in Colorado Springs attending the regional conference of the life department of the Aetna Life over which Vice-president S. T. Whatley presides. Mr. Whatley always arranges to have some of the casualty officials present as observers, mingling with the crowd. President M. B. Brainard was on hand and spoke at the presidential banquet Thursday evening.

Rates for New Liquor Bonds in Ohio Are Issued

Ohio agents were given various liquor bond rates to become effective this week in line with action at the last legislative in line with action at the last legislative session regarding changes in the bonds for manufacture and sale of beer, wine, and intoxicating liquors. The various types of licenses required to be supported by surety bonds range from \$1,000 bond for retailers up to \$2,000 for wholesale beer, wine etc. distributors and \$5,000 for brewers, distillers and manufacturers of mixed drinks.

The annual rate of \$16 for each \$1,000 bond covers where bond supports a sin-

bond covers where bond supports a single permit except for druggists alcohol permit, motor vehicle transportation and for alcohol permit for wholesale drug-gists which is \$10 per \$1,000 with a minimum of \$10.

Where stipulation is executed by surety extending its bond to cover two or more permits and the penalty of the bond is not increased, an additional premium of \$8 per \$1,000 per annum is charged for such consent regardless of number of permits covered. This is pronumber of permits covered. This is pro-rated from date of stipulation to anniversary of bond, subject to annual earned premium of \$5.

Where stipulation is executed to cover two or permits and the penalty of the bond is increased, rate for such increased liability is \$16 per \$1,000 prorated from effective date of stipulation to anniversary date of bond, subject to annual premium of \$10. mium of \$10.

Separate permits were always required to be supported by separate bonds under the old law but under the new statute two or more permits of different classes may be covered under same bond. Any separate bond now in effect which is cancelled by reason of the new form being substituted for the same principal may be cancelled pro rata and the return premium applied to the new bond provided total maximum return premium allowed on such cancelled bond shall not exceed 50 percent in the aggregate of premium of new bond.

It is said no regulations have been issued yet for bonding chain stores.

CASUALTY COMPANY STATEMENTS

		to ocormit	BARDARY MARKE	acpurement,	
	Capital			First Six Me	onths 1939-
	or Deposit	Assets	Surplus	Income	Disburse.
Aetna Casualty	\$ 3,000,000	\$64,333,210	*	\$20,327,581	\$15,260,583
Fidelity & Casualty	2,250,000	50,231,009	12,330,230	14.236.691	12,937,861
Sun Indemnity	1.000,000	6.441.422	1,682,718	1,701,045	1.537,293
Travelers Indemnity	3,000,000	30,169,231	7.214.960		6.113.763
United States Casualty.	1.000,000	10.540.072	2,255,621		2,988,569
United States Guaranty	2.000.000	16,304,696	5,427,832		2,364,982
Virginia Surety	300,000	386,967	76.512		3,680
*Not given.		,		0,000	0,000

Logan Bidle Heads A. & H. Department

Logan Bidle, assistant secretary of Aetna Life, has been named secretary in charge of the accident department. takes the place of the late E. C. Bowen. Paul H. Rogers and O. H. Jessie have been made assistant secretaries in the department.

department.

Mr. Bidle has served as assistant secretary since 1925. He went with Aetna Life in Chicago in 1914 as special agent, became associate manager in St. Louis and was called to the home office in 1919. He became superintendent of the group disability department in 1923 and shortly thereafter superintendent of the

accident department.

Mr. Rogers was with Massachusetts

Mr. Rogers was with Massachusetts Bonding for many years before he joined Actna Life. He served as chairman of the Bureau of Personal Accident & Health Underwriters in 1932-3.

Mr. Jessie graduated from the Actna Life training school in 1925 and was located in the Richmond, Va., office until he was called into the home office in 1930.

Cavanaugh Heads Federal Life: Hamilton Is Chairman

L. D. Cavanaugh, executive vice-president of the Federal Life since 1931 has been elected president to succeed Isaac Miller Hamilton, who retires after 40 years' service and becomes chairman of the board. Mr. Hamilton announced some time ago that the change would become effective on his 75th birthday.

Mr. Cavanaugh served as president of the Health & Accident Conference last year and is a fellow of the Casualty Actuarial Society as well as being active in life actuarial organizations. Mr. Hamilton is also a former president of

the conference and was one of its leaders in its earlier years.

J. F. Williams is advanced to vice-president and assistant treasurer; S. R. Keare to vice-president and assistant superintendent of agencies and G, W. Myers to actuary and assistant secretary.

Chicago Acquisition Cost Program Not Yet Dead

NEW YORK-Although the prediction is made in some quarters that the casualty and surety acquisition cost rates proposed for Chicago will be blasted, all officials do not take that view. Those men say there will be a serious effort made to put them in effect, with some

Information Please! Recall A. & H.



CHARLES C. HEWITT

C. C. Hewitt of Boit, Dalton & Church, prominent Boston local agency, is chairman of the information committhe functioning at the annual convention of the National Association of Insurance Agents in that city the first week in October. Mr. Hewitt is a Chicago product. He started his insurance career product. He started his insurance career as a rater with the Chicago Board when the Dean schedule was applied to major mercantile districts in the city. Later he served the Western Canada Fire Underwriters Association. He was manager at one time of the Indiana Inspection Bureau branch at Fort Wayne, and later was chief rater for the Miscouri tion Bureau branch at Fort Wayne, and later was chief rater for the Missouri insurance department. He was schedule maker and commercial rater for special hazards of the Western Actuarial Bureau. He participated in the development of the first stamping offices in Indiana and Missouri. He joined the National Fire as state agent in West Virginia, later went to New England as a field man and in 1924 was transferred to the home office. He became secretary in due season and then vice-president. He is a business go-getter from the He is a business go-getter from the ground floor up. He is one of the chief factors in the Service Men's Protective Association,

modifications that seem desirable. Some companies will seek to amend the surety rules by allowing city agents to pay

War Clause of '16

NEW YORK-A provision of the standard form of personal accident policy adopted shortly after the conclu-sion of the world war and since in gension of the world war and since in gen-eral use throughout the country denies liability for "death, disability or injury suffered by the assured, wholly or in part, by war or any act of war." Rates for personal accident policies are based upon losses that may be sustained under normal conditions, and do not contemplate compensation for the hazards of war, whether on land or sea.

The limitation clause, adopted by carriers in 1916, prior to the entry of the United States into the world war, reveals the attitude of the companies to the war peril at that time:

the war peril at that time:
"This policy, anything therein to the contrary notwithstanding, does not cover any bodily injury, fatal or nonfatal, sustained as the result, directly or indirectly, wholly or partly, of any war, insurrection, riot, mutiny or usurped insurrection, riot, mutiny or usurped power, or caused outside directly or indirectly, wholly or partly by any of the following designed, used or intended for use in warfare—namely, any weapon, instrument, tool, projectile, explosive, gas, machine, or other contrivance of

Casualty Results in Pa. for 1938 Are Analyzed

Total casualty premiums in Pennsylvania in 1938 were \$82,647,177 and losses were \$28,187,564, according to the Pennsylvania department, in its report just issued. The total premiums of stock companies were \$60,593,987 and losses \$19,408,582. Companies of foreign countries had premiums \$6,989,151 and losses \$2,395,259. Other state stock companies had premiums \$34,221,148 and losses \$10,268,433. Pennsylvania stock companies had premiums \$19,383,687 and losses \$6,744,889.

The premiums of mutual companies were \$22,053,189 and losses \$8,778,982. Other state mutuals had premiums \$10,-445,528 and losses \$3,464,458. The Pennsylvania mutuals had premiums \$11,607,-661 and losses \$5,314,523.

These figures do not include the health and accident premiums of life companies which amounted to \$10,500,589. The health and accident losses of the same

group of companies was \$4,886,702.
Total Pennsylvania premiums of reciprocals were \$2,312,835 and losses \$998,045. These include both the fire and casualty writing concerns.

Eager Suggests Standard Rule for Charity Torts

P. H. Eager, Jr., Jackson, Miss., in speaking on the responsibility of charspeaking on the responsibility of char-itable institutions for torts before the annual convention of the International Association of Insurance Counsel at Hot Springs, Va., suggested that a purely eleemosynary institutions should not be

eleemosynary institutions should not be liable for torts except for the negligence of its governing authorities. He said:

"If the act of negligence is in the employing or retaining of incompetent servants, or the failure to exercise reasonable care to keep the premises reasonably safe, or in furnishing the servants the servants." ant with ineffective equipment, these acts should result in a right of recovery.

"It must be appreciated that literally millions of dollars are adjudicated to hospitals, educational institutions, homes for the afflicted and numerous eleemosynary institutions. Their benefit to so-ciety demands the perpetuation of their worthy aims. Consequently, we must admit that there is no need of any such institution except for the existence of the underprivileged.

"The fundamental ground for exemp-

tion is the reasonable preservation of the institution because of its great benevolence, because it is a benefit to society as a whole, and because its aims are unselfish without thought or means of financial benefit beyond the perpetuation of itself and that solely for the pur-pose of a continued manifestation and

application of its generosity.
"The rule which has been suggested is very much akin to the well recognized principle where the master is held liable for employing a dangerous or incompetent servant.

A great need exists for uniformity of state laws. At present there are so many conflicting decisions in the various states that at best the situation regarding such institutions is a chaotic one, when viewed from a national standpoint.

O'Hanlon Texas Appointments

DALLAS-H. J. Farrell has been ap-DALLAS—H. J. Farrell has been appointed supervisor in Texas for O'Handon Reports of New York City, with headquarters at Dallas. He will have supervision over managers appointed in three Texas cities: J. A. Coleman, Dallas; George Kuhn, Houston, and Joe Holleran, San Antonio. Mr. Farrell was formerly investigator for the Texas insurance department, and prior to that he was with the Hooper-Holmes Bureau. Messrs. Coleman, Kuhn and Holleran were also with the Hooper-Holmes Bureau and later with the Texas departenant of the propersist of the supervision of the su reau and later with the Texas depart-

PROMINENT AT MINNESOTA LOCAL AGENTS CONVENTION



A. LEVANT, Eveleth State President



JOHN P. McGEE, St. Paul



National Executive Committee



WELLINGTON POTTER, Rochester, N. Y. Hard Hitting Agent

ACCIDENT AND HEALTH

Cites Dangers in Hospital Field

S. W. Bowen, manager casualty department of Washington National, is author of an interesting article, "Has Hospital Insurance Come to Stay?" in the "Builder," house organ of his company. He observed that there has been a wild scramble for hospital business in some quarters that has resulted in the introduction of policies containing provisions foreign to the scope of the covisions foreign to the scope of the cov-

introduction of policies containing provisions foreign to the scope of the coverage intended for the hospital policies.

Evidently, he said, this has been done without carefully counting the cost and apparently with the belief that only in this way could a fair share of the business be gotten. He predicts that these departures are likely to end in disillusionment. Already one or more of these policies have been withdrawn and other companies that have put them out have signified their intention of increasing signified their intention of increasing premiums and introducing restrictions. Some of the companies that have tried to follow a conservative course have become upset by competition and have in-

troduced unwarranted liberalizations in an attempt to hold their business, he

'It is preposterous," according to Mr. Bowen, "to plead inability to get hospital business by maintaining a proper standard of underwriting. Where the coverage is thoroughly understood there is minimum sales resistance. . . . As regrettable and unfortunate as it may

regrettable and unfortunate as it may be, there are here and there persons not eligible for this coverage and the salesmen must resist such applications."

The wise salesman, Mr. Bowen said, will use hospital coverage not to take the place of, but to augment, the coverage that pays rent, buys food and takes care of drug bills when the insured is disabled.

Mr. Bowen said that two or three adjustments are under consideration by many companies. One is in regard to female risks. If married, application should be given consideration only if the husband also applies; issuing a hospital policy only if the applicant carries a disability accident and health contract; eliminating troubles peculiar to females; the advisability of charging a higher premium for female risks. As to chil-

dren: If there are more children than one in a family, application to be considered only if all of them within the age limit apply.

The question is under consideration of discontinuing the monthly premium and requiring at least a quarterly pre-

Assume Commissioners Hit at Limited Contracts

NEW YORK-Casualty company executives assume that the allegation of unsatisfactory loss adjustments practices under accident and health policies made at a recent conference of New England at a recent conference of New England commissioners in Boston, refers to settlements under limited coverage contracts. Complaints are rare regarding adjustments under standard commercial policies. No communications in this connection have been received from the supervising officials by any of the companies

The limited form contract has been provocative of trouble to the accident and health business. The restriction imposed on casualty writing companies in the revised New York insurance code, is attributed to that dissatisfaction. Realizing that it is impossible to grant to grant. ing that it is impossible to grant com-plete indemnity at less than standard rates, many companies have refrained

from issuing contracts at reduced premiums, contending that claimants in the event of injury would insist they be compensated regardless of contract stipulations, which few of them read. These misunderstandings engender a feeling of antagonism toward accident and health insurance as a whole

N. Y. Hospital Service Cuts Off 57,000; Slashes Benefits

The Associated Hospital Service of New York has drastically reduced the benefits provided under its contract and has canceled 57,000 contracts with sub-scribers who enrolled individually. These subscribers will be given an opportunity to apply for reenrollment under a new agreement at slightly higher rates, pro-vided their personal medical history is good. Rates for husband and wife con-

good. Rates for husband and wife contracts are increased to double the rate for the single individual.

Maternity benefits are now restricted to those with full family contracts. Special services are limited to definite cash maximums, \$20 or \$25 in most instances. The period of hospital stay is shortened from 31 to 21 days and the discount beyond this period is reduced from 33½ to 25 percent, with a limit of 60 days. Restrictions are imposed on service for tonsil and adenoid cases. The list of exclusions is increased and emerlist of exclusions is increased and emergency service for ambulatory patients is no longer covered.

Break Ground for Omaha Companies' New Home

OMAHA-Ground has been broken for the new \$1,000,000 home office building of the Mutual Benefit Health & Ac-

ing of the Mutual Benefit Health & Accident and United Benefit Life, on a site a mile west of the main business section, across from the Woodmen Circle building erected a few years ago.

Original plans for a \$500,000 structure were altered, officials said, and the final project is expected to cost more than \$1,000,000. The first spade of dirt was turned by Dr. C. C. Criss, founder and president of the two companies. Agency

turned by Dr. C. C. Criss, founder and president of the two companies. Agency managers from 47 states and Canada attended the ground-breaking ceremonies and a sales conference which followed. Addresses were made by Governor Cochran of Nebraska, Mayor Butler of Omaha, W. E. Cox, Louisville, president of the companies' managers association; A. W. Heuertz, Memphis, Tennessee manager; W. C. Fraser, vice-president Omaha chamber of commerce, and Dr. Criss. Commissioner Frank Fogarty of the chamber of commerce was master of ceremonies. of ceremonies.

The Mutual Benefit Health & Acci-

dent is observing its 30th anniversary

Reports on Prudence Life

The Illinois department has issued its report of an examination of Prudence Life of Chicago, an assessment company, most of whose business consists of hospitalization policies. Alfred Holzman is president. As of March 31, 1939, assets were \$18,191, surplus in the life department \$14,150, and in the accident and health department—\$4,068.

The concern was started in 1936 as

The concern was started in 1936 as Prudence Protective Association, a burial society. It changed to an assessment company in 1937.

About 90 percent of the contracts in

About 90 percent of the contracts in force were represented by one of the hospital benefit plans. Male and female risks of the Caucasian and Negro races are written on equal basis.

The examiners state that Prudence accepts applications solicited by individuals who have not been duly licenses as agents. Prudence has incurred in

viduals who have not been duly licensed as agents. Prudence has insurance in force in several states that is classified as "mail order business," although, according to the examiners, certain applications indicate the insurance was solicited by an agent and written by him within the home state of the assured. Prudence Life paid a commission on practically all of this business.

For the first three months of this year

For the first three months of this year premiums in the life department were

DEPENDABILITY in ALL THINGSat

established 1897

ALL TIMES



Affiliated with

CONTINENTAL ASSURANCE COMPANY

If I had a blue pencil, Scould edit this paper myself!



This is a reprint of an advertisement of National Surety Corporation which appeared in EDITOR AND PUBLISHER, a leading publication in the publishing field. It was directed to the independent business men in the publishing business in your city.

This advertisement has also appeared in a long list of banking and financial publications. It is an effective sales help to our agents and another proof of our belief in and support of the American Agency System as a part of the American Business System.

TOO BAD he can't try it! Every editor knows how simple his job looks from the outside. But every editor and publisher knows that the newspaper, the magazine is a middleman in the field of news, ideas, and information. It justifies its services and its cost in typical American fashion to reader and advertiser alike by skill and experience developed through years of familiarity with its daily problems, always different, yet always the same.

To gather, to edit, and to print is no job for the amateur. But the better the job, the simpler it looks on the completed page.

And because he knows the value of skill and experience in his own field, the editor, the publisher, the master printer—does not just say, "\$50 worth of insurance, please." He asks for and gets the advice and full service of an expert purchasing agent in the complex insurance field, like himself an expert middleman. No worries about uncovered risks that might wreck a business.

Because we believe so thoroughly in the services of an expert middleman whether editor, publisher, or master printer, insurance agent or broker, we refuse to accept business direct because it is not in the interest of the Company or the assured to do so. When you buy National Surety Fidelity Bonds, Surety Bonds, Burglary or Forgery Insurance through your local insurance agent or broker, you deal with a customer and friend who is a fellow member and supporter of the American Business System.

NATIONAL SURETY CORPORATION

VINCENT CULLEN, President

\$2,794, and in the A. & H. department \$20,057. Payments to policyholders in the life department were \$166 and in the A. & H. department \$4,323. Commissions were \$980 life and \$6,561 A. & H. Salaries were \$156 life and \$1,048 A. & H. Total disbursements were \$2,421 life and \$19,413 A. & H. Many controversies have arisen in

Many controversies have arisen in connection with the claim settlements, according to the examiners, but these have been due principally to the strict limitations of the policy contract.

Commissioner Taggart, of Pennsylvania, has approved formation of a medical service plan under sponsorship of the State Medical Society.

N. J. Medical Service Plan

NEWARK—If the New Jersey department approves the plan, the Medical Society of New Jersey will inaugurate the Medical Service Plan of New Jersey to aid the low wage earner. It will be organized on a county basis. Essex and perhaps Union counties will be chosen for initial operation. A \$15 annual fee will entitle members to medical services up to \$250 each for any one policy year and \$500 for family

groups of four. It will be limited to individuals with incomes of not more than \$1,200, married couples \$1,800 and a \$200 allowance for each dependent child. Only persons in employed groups of 10 or more will be eligible.

General Accident's New Policies

The General Accident has two new automobile accident policies. One with \$5 premium, provides \$500 reimbursement for doctors, nurses, and hospital bills arising from any one accident, \$1,000 principal sum and corresponding dismemberment benefit. It covers be-

tween ages of 14 and 65 without reference to occupational classification for injuries in an automobile or being struck by an automobile while walking on a public street or highway.

by an automobile while walking on a public street or highway.

The second policy, with \$10 premium, provides in addition to these benefits \$25 weekly for total disability for 26 weeks. It is available to employed men and women ages 18-65.

State Farm Quits A. & H. Field

The report of an examination of State Farm Life of Bloomington, Ill., by the Illinois and state of Washington departments discloses that the company as of April 1, 1939, discontinued the issuance of accident and health policies. During 1938 its accident and health premiums amounted to \$59,462 and claims incurred to \$23,527. State Farm Life is affiliated with State Farm Mutual Automobile and State Farm Fire.

Indiana Firemen's Coverage

INDIANAPOLIS—The act passed by the Indiana legislature providing for accident benefits for members of volunteer fire departments throughout the state, through an error in the filing department, was made optional instead of mandatory as intended. State Fire Marshal Smith says most towns having volunteer firemen are taking advantage of the act and are providing this insurance. It can be paid for by the community served or by the individual firemen themselves. The amount of insurance to be issued is arbitrarily \$3,500 and a less amount cannot be written, according to a recent ruling of the attorney general. It provides benefits for injuries or death suffered by volunteer firemen while performing their duties as such and not otherwise. Among the companies most active in writing this insurance are the Maryland Casualty, Hartford Accident, Hoosier Casualty and Commercial Casualty.

H. P. Aiken to Davenport

Hazen P. Aiken, who went with Occidental Life of Los Angeles recently as supervisor of the accident and health department at the head office, has been transferred to Davenport, Ia., as division manager of the A. & H. department. He will divide his time between Davenport and Chicago offices.

Discuss California Convention

The San Francisco Accident & Health Club met Sept. 6 to discuss plans for participation in the coming convention of the California Association of Accident & Health Clubs in Los Angeles, Oct. 20-21.

First Chicago Meeting Sept. 12.

The Chicago Accident & Health Association will hold its first fall luncheon meeting Sept. 12 in the penthouse bungalow of the Morrison Hotel. B. H. Groves, manager of the Travelers, will be the speaker.

Des Moines Club Opens Season

DES MOINES—The Casualty & Surety Club will hold its first fall meeting Sept. 11. Frank Noble, Iowa manager American Surety, will describe his recent European trip. The annual meeting will be held Sept. 25.

Knight Is Worcester Manager

The Massachusetts Bonding has appointed H. N. Knight manager of its Worcester branch. He was in the home office of Maryland Casualty for several years and for five years has been manager of its Worcester service office. C. I. Walker, for some years in the home office and Worcester branch of the Massachusetts Bonding, has been promoted to assistant manager in Worcester.

G. W. Talkes, resident vice-president of the American Automobile, at Cleveland, has completed 25 years of service with the company.

How one broker met competition on a \$4,000 line

. . . and saved his client \$264

PROBLEM A rate cutting attack on a valuable line which had taken years to build.

THE ANSWER A quick check of *EXCESS* rates. Then a satisfied customer with a \$264 saving. Competition was defeated, and the customer had sound American protection.

Our booklet entitled "Excess" shows how to use *EXCESS* insurance to meet competition and save money for your clients. For a copy, drop us a line on your business letterhead today.

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FIDELITY AND SURETY

Finds No Liability Under Forgery Bond

Employers Liability has been upheld Employers Liability has been upneed by the United States circuit court of appeals for the second circuit (New York) in denial of liability under a depositor's and/or commercial forgery policy, revised, for loss sustained through fraudulent operations on the part of Miano, an assistant treasurer of Miano, an assistant treasurer of Miano, and Miano Fitzgibbons Boiler Company, the as-

sured.

sured.
Six checks were presented by Miano to other officers of Fitzgibbons Boiler for signature by them as officers. Each check was accompanied by a pay voucher fraudulently issued by Miano, who stated to the officers that it represented a legitimate transaction, wherever it is stated to the officers that it represented a legitimate transaction, whereas it, in fact, did not. Miano represented that the checks were executed with the authority of Fitzgibbons Boiler for a legitimate transaction, though neither representation was true. The checks were presented and five of them, signed by Miano with an intent to deceive and misappropriate the proceeds, were paid by the banks on which they were drawn

misappropriate the proceeds, were paid by the banks on which they were drawn and the proceeds were converted by Miano to his own use.

The question, the court observed, is whether the signatures of the checks were "forged" within the meaning of the term as used in the policy. The court stated that the signatures to the checks insofar as they were by the other officers of the assured were not forgeries. Fitzgibbons Boiler contended that when Miano signed the five checks for the purpose of converting the profor the purpose of converting the pro-ceeds to his own use, he acted without authority and thus committed forgery. The authorities, according to the court, negative such a result. Miano had a general power to execute contracts on behalf of the corporation and that would seem to prevent the possibility of forgery in a case such as the one in

Travelers Not to Commence Writing Surety Until 1940

Much interest is taken in when Travelers will commence the writing of fidelity-surety business. Some in the business have felt that Travelers would business have felt that Travelers would probably have the machinery ready for operation this fall, but it seems likely that Travelers will take its time to get the organization well set up and not enter actively into the field until well into 1940. Travelers moves slowly but surely in entering new fields. It will be recalled that the organization tests. be recalled that the organization took from the fall of 1924 until the end of 1925 to get its fire insurance company going. Every effort is made to acquaint the organization with all the necessary details before the opening gun is fired.

Write Bond on Nebraska Treasurer

LINCOLN, NEB.—Fifteen companies signed the \$1,000,000 bond for John Havekost, appointed by Governor Cochran to succeed the late T. W. Bass as state treasurer. Liability of each company signing is limited to the following amounts: Fidelity & Casualty, U. S. Fidelity & Guaranty, Glens Falls Indemnity, Indemnity of North America and Hartford Accident, \$100,000 each; Fireman's Fund Indemnity, \$75,000; Fidelity & Deposit, Standard Accident, New Amsterdam Casualty, Royal Indemnity, American Surety, Maryland Casualty, Globe Indemnity and Great American Indemnity, \$50,000 each, and LINCOLN, NEB .- Fifteen compa-American Indemnity, \$50,000 each, and Eagle Indemnity, \$25,000.

Handy Fidelity Rate Card

Aetna Casualty has issued a pocket-size rate card covering both the com-mercial blanket and blanket position forms. All the base premiums are shown for various bond amounts and covering

any number of employes. Businesses entitled to credits or requiring sur-charges are given, as are also the em-ploye classifications "A," "A special," "B" and "C."

With this information clearly tabu-

With this information clearly tabulated, the agent needs to make only two or three simple computations to arrive at the net or final premium for any risk. There are several sales suggestions given, with brief descriptions of the purposes and scope of these two forms of "dishopesty insurance"

dishonesty insurance.

Cleveland Surety Club to Meet

CLEVELAND — The Cleveland Surety Club will hold its first fall meeting Sept. 11. The annual meeting will be held in November. Harry Frank, Aetna Casualty, is president.

PERSONALS

F. J. Baigent, 65, with the Ocean Ac-F. J. Baigent, 65, with the Ocean Accident for 30 years, died at his home in Toronto. He organized and as manager built up the Ocean's plate glass department until it became one of the largest in Canada. He started with the Ontario Accident in 1890, remaining with that company eight years. He retired in December, 1938, but following a trip south he returned to Toronto and opened a general insurance agency. He opened a general insurance agency. He suffered a heart attack in March and failed to rally.

C. C. Jones of R. B. Jones & Sons, Kansas City, arrived home Saturday from an extended automobile trip to the Pacific Coast, accompanied by his wife and son. He will attend the meeting of the National Association of Insurance Agents at Boston and from there will go to White Sulphur Springs to preside over the convention of the National Association of Casualty & Surety Agents.

Agents.

R. M. Brann, secretary Bureau of Personal Accident & Health Underwriters, is again at his office in New York, following a vacation trip to the Pacific Coast in the course of which he visited the head was transported by the second of the second o the headquarters of several of the association companies, and spent some days with his son, who is connected with one of the leading department stores of San Francisco.

N. H. Newell, general agent Metropolitan Casualty in Boston, marked the completion of 50 years with the company. He was presented an arm chair pany. He was presented an arm chair and ottoman, reading lamp and many congratulatory letters. Mr. Newell was born in Kansas and has resided in Boston since 1872. He started with the Metropolitan Plate Glass in 1889 and continued with the Metropolitan Casualty when it took over that company.

R. J. Maclellan, president Provident Life & Accident, was in Chicago this week.

M. D. Price, vice-president St. Paul-Mercury Indemnity, in a threesome at the Somerset Club negotiated a hole in one on the 11th hole, 156 yards, par 3.

Schlehr's Insurance Agency has been organized in **Buffalo**, **N. Y.,** by Edith M. Schlehr, 87 Burch street.

CASUALTY UNDERWRITER WANTED Prominent Chicago general agency has an open-ing for a junior casualty underwriter, approxi-mately 25 years of age. In reply give experience, references, age, etc. Good opportunity for qualireferences, ago; references, ago; refere

BOILER UNDERWRITER WANTED

Position available for competent boiler and ma-chinery underwriter in the home office of Casualty Company. Must have had five years' experience. State education, special training and salary desired

desired.
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Would YOU Like To Make A Date With SUCCESS?...

O^N the date circled, the next Session of the Ætna's Home Office Casualty and Surety Sales Course will begin promptly at 8:30 A. M.

For five weeks those enrolled will receive intensive instruction in the most up-to-date underwriting and sales methods covering all forms of insurance and bonding protection by competent and experienced instructors.

When the Session has ended, another group of men will go forth better equipped to succeed in the insurance business. They will be better equipped because of increased confidence based on a sound working knowledge of modern insurance practice.

Would you like to make a date with success? It may be possible for you to enroll if you act quickly. Write for complete information.



THE ÆTNA CASUALTY AND SURETY COMPANY

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THE ÆTNA LIFE INSURANCE COMPANY - THE STANDARD FIRE INSURANCE COMPANY THE AUTOMOBILE INSURANCE COMPANY of HARTFORD, CONNECTICUT

Dependable Insurance Service

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A multiple-line stock casualty company which offers financial strength—prompt claim service -up-to-the-minute sales and advertising aids -standard policies. It will pay you to investigate The Buckeye Union, an aggressive company for aggressive agents. Writing Automobile. Plate Glass. Burglary and Public Liability.

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ACCIDENT COVERAGE FOR **PEOPLE** PAST SIXTY

Don't pass up this business!

Accidents are a constant threat to older people who have lost the firm step of youth. Yet, at this age when they need it most, protection against accidents is hardest to obtain.

Many agents and brokers, unable to secure coverage of this type through ordinary sources, have added materially to their premium incomes by writing the Over Age Accident Contract available through this organization.

Underwritten by prominent underwriters, it covers death, dismemberment and weekly indemnity or death separately. Full details will be sent on

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Headquarters for "OUT-OF-THE-ORDINARY" Contracts

I. C. C. Affirms Rule VIII

(CONTINUED FROM PAGE 19)

volve companies that were engaged in transacting motor carrier business rather freely. Under Rule VIII the public was afforded through the reciprocal filing of surety bonds or insur-ance policies of other insurance instituance policies of other insurance institu-tions, protection which otherwise would not have been available in states in which these companies were not li-censed. This protection would not ex-ist under a rule that would have author-ized the insurers which became finan-cially involved to transact business in one state and assume, under their poli-cies, the obligation of protecting the

cies, the obligation of protecting the public in any or all of the states.

There has been no monopolistic tendency from Rule VIII, the bureau contends. Many of the smaller institutions have continued to participate in the business to a considerable extent. The complaints that have been filed from in-surance companies have been relatively

Can't Rate the Insurers

The bureau states that it has no means of rating companies, so as prescribe minimum requirements that would take the place of Rule VIII. The bureau was somewhat favorable to the surety bond idea, but this brought forth many complaints on the part of petitioners and insurance companies of all classes. The bureau states that it has received constant complaint as to has received constant complaint as to excessive costs of insurance. If a material betterment of conditions could be obtained as a result of a study made by the bureau it would be justified. The bureau states that it is not clear as to the procedure to be adopted to obtain the information that would be needed to produce effective results. The study would constitute a considerable task. Accordingly, for the time being, the bureau is taking the proposal that an investigation be made, under advisement.

Wording of Decision

"Upon the facts submitted, we find that, in the absence of a minimum fithat, in the absence of a minimum nancial or other satisfactory minimum standard that could be safely applied to all insurance companies," the bureau states, "Rule VIII, as presently worded, is a reasonable minimum standard for determining the eligibility of insurance institution . . . and that this rule should not be eliminated, suspended or changed."

Among those named as intervening

parties are:
W. E. Harrington, Atlanta, for National Association of Insurance Agents; W. E. Harrington, Atlanta, for National Association of Insurance Agents; Donald C. Bowersock for Inland Marine Underwriters Association; Edward S. Brashears for Virginia Highway Users Association, Pennsylvania Motor Truck Association and Virginia Auto Mutual; Charles M. Howell, Kansas City, for Casualty Reciprocal Exchange and Consolidated Underwriters; Carl L. Crocker, for Bruce Dodson & Co.; Gerald L. Gore, for American Reciprocal Insurance Association, and Bruce Dodson & Co.; J. Balch Moor, for Frank N. Julian, president National Association of Insurance Commissioners; Horace Moulton, for Service Mutual Liability; Sam A. Simpson, for Truck Insurance Exchange of Los Angeles; E. J. Brookhart, for Celina Mutual Casualty, National Mutual and Mercer Casualty; Walter K. Stewart, for Home Mutual of Iowa; Carey E. Quinn, for Pennsylvania Threshermen & Farmers' Mutual Cassualty; S. A. Markel, for Mutual of Iowa; Carey E. Quinn, for Pennsylvania Threshermen & Farmers' Mutual Casualty; S. A. Markel, for American Fidelity & Casualty and Markel Service; R. C. Waterman and Earl Faust, for Auto Underwriters Society, Iowa; Garfield W. Brown, for American Mutual Alliance.

G. L. Scully of **Port Arthur, Tex.**, has purchased the Port Arthur Insurance Agency there and merged it with his agency.

Indiana Auto Rate Ruling Amended

(CONTINUED FROM PAGE 19)

Bureau and the American Mutual Alliance are removed from a policy then the

ance are removed from a policy then the permissible minimum rate shall be 20 percent below the class W rate.

"No rate shall be reduced, either directly or indirectly, below such limitations as are established and set out herein," the new ruling reads in part, "by reason of any deductions, dividends, returns, credits, discounts, commitments, of any nature whatsoever, including any anticipated dividends as may be payable at any time by reason of the character, operation or class of any insurer.

National Surety War Service

In order to handle any emergency situations that may arise because of the confused state of affairs in Europe, Na-tional Surety has arranged to keep its telephone open at the head office at 4 Albany street, New York, until 9 p. m., eastern daylight time. Executives of eastern daylight time. Executives of the branch offices throughout the counare required to let headquarters ow where they may be reached know where they may be throughout the evening hours.

Proposes Tennessee Campaign

NASHVILLE, TENN .-- A confereence for the promotion of casualty and surety business is proposed by John D. Saint, manager Tennessee Association of Insurance Agents. The meeting would Insurance Agents. The meeting would be educational and would be held some time after Jan. 15. Company representatives would be invited to aid in the formation of a stock company-agency public relations program. The plan is to have speakers on technical, underwriting and sales problems. Zone meetings are suggested by Mr. Saint as well as active casualty committees in each as active casualty committees in each

Projects New Home Office

KNOXVILLE, TENN.—President W. M. Fulton announces the intention of Tennessee Automobile with present offices at 717 South Gay street, to construct a new office building on the Ful-ton Estate, Lynns View pike. Plans for a one story, fireproof, brick and stone building have been completed and given to contractors for bids. Former offices will be used by local agents of the company.

Buckeye Union Agency Rallies

Buckeye Union Agency Rallies

Buckeye Union Casualty Company has arranged a series of agency meetings to begin Sept. 26 at Lima and close Oct. 26 in Columbus. Meetings will be held in Defiance, Toledo, Cleveland, Fremont, Mansfield, Canton, Zanesville, Indianapolis, Huntington, W. Va., Dayton and Cincinnati as well. H. L. Andrews, S. W. Schellenger and J. J. Cooney of the home office staff will be among the speakers. The company has just issued a new series of annual automobile pola new series of annual automobile policies of optional full-coverage forms. They will be issued in Ohio, Indiana and Kentucky.

I. J. Talbott, 66, for 37 years resident vice-president of the National Surety in Kansas City, Kan., died at his home there. He retired in May, 1937.

WANTED
Special agent for Wisconsin and Northern Michigan by nationally established casualty and surety comoany. Must have good knowledge of fidelity and surety lines. Give full information hdelity and success
regarding experience.
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Chicago

WANTED

WANTED
Large multiple line casualty company desires special agent for Wisconsin. Experience in developing boiler and machinery business required. Write fully stating qualifications, etc.
ADDRESS K-39, NATIONAL UNDERWRITER 175 W. Jackson Blvd. Chicago



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Rid

NEWS OF THE CASUALTY COMPANIES

Illinois National Is Commended by Examiners

CASHALTY

Assets of Illinois National Casualty of Springfield, Ill., as of Dec. 31, 1938, amounted to \$810,102, capital was \$200,000 and net surplus \$76,767, according to report by the Illinois department. The report by the Illinois department. The Illinois National has experienced com-Illinois National has experienced commendable progress, the examiners state. Its treatment of policyholders is equitable and it discharges policy obligations promptly and fairly. Illinois National writes automobile insurance exclusively. H. B. Bartholf is president and C. L. Morris is secretary. It is licensed in Illinois, Iowa, Indiana, Michigan and Ohio. Full conference rates are charged for auto fire, theft and collision, while the rates for P. L. and P. D. are 20 percent below conference. Some of the

plan, with one-fourth of the installment collected at the time of issuance, one-fourth at the end of two months, one-fourth at the end of four months and one-fourth at the end of six months. No interest is charged.

Total premiums in 1938 were \$701.831 and total income \$737,140. Net losses paid were \$254,536 and total disburse-

denied owing to the similarity of names with the Atlas Assurance. It is reported that the Driver company will specialize in bail bonds

New Mexico Mutual Expands

ALBUQUERQUE, N. M .- The Pioneer Mutual Compensation, formerly of Santa Fe, has moved to Albuquerque and has also started writing automobile

The company was started in 1937 and specializes in writing workmen's com-pensation insurance. Joseph Simpson is president and general manager.

Commercial Standard Capital Up

The Commercial Standard of Fort Worth will increase its capital from Worth will increase its capital from \$500,000 to \$550,000. The boost in the \$500,000 to \$550,000. The boost in the capital setup is in line with the increased business of the company in Texas and elsewhere. Business for the first six months exceeds that for any like period in its history. The additional stock issue will be absorbed by present stock-

The newly organized Hardware Indemnity of Minneapolis has been licensed in Ohio.

SPECIAL and UNUSUAL RISKS

Why not let us help you solve your problem when you need something out of the ordinary for your client.

We specialize in Public Liability coverage of any nature—especially the unusual ones.

Louis J. Schiltz

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AMERICAN *RE-INSURANCE CO.*

Robert C. Ream, President

99 John Street New York

DECEMBER 31st, 1938

 CAPITAL
 \$ 2,000,000.00

 Surplus
 4,547,338.93

 Voluntary Catastrophe Reserve
 509,000.00

 Reserve for Losses
 4,574,742.68

 All Other Liabilities
 2,129,434.74

 TOTAL ADMITTED ASSETS
 13,751,516.35

NOTE: Securities carried at \$364,875.00 in the above statement are deposited as required by law.

CASUALTY • FIDELITY • SURETY Re-Insurance

COMPENSATION

Decision as to Extra-Territoriality

Interest is taken in the decision of the

Interest is taken in the decision of the U. S. circuit court of appeals in case of Associated Indemnity vs. Scott upon appeal from federal court for the eastern district of Texas.

The suit, brought under the extraterritorial provision of the Texas compensation act, was instituted by L. A. Scott, employed as a driller by H. J. DeArman, drilling contractor of Houston, to recover for injuries sustained while at work upon a well at Ringold, La. The issue was whether Scott was covered under the compensation law of Texas or that of Louisiana. The court of appeals in remanding the case for a new trial stated that "the material question is whether his work in Louisiana was done under, and pursuant to, an employer-employe status of work and service existing in Texas, which the Louisiana work was incidental to and in furtherance of."

Kill Alabama Fee Provision

amendment hiking lawyers' fees in workmen's compensation cases in Alabama from 10 to 25 percent of the amount recovered was killed by the senate judiciary committee. The committee—all lawyers themselves—divided 7 to 6 on the issue. A lawyer bloc in the house had tacked the fee hiking rider to a bill by Representative Hodo strengthening the workmen's compensation law in several respects. After deleting the fee amendment, the senate committee gave the Hodo bill a favorable report. BIRMINGHAM, ALA.—A house amendment hiking lawyers' fees in

Oklahoma Rates Changed

OKLAHOMA CITY — The Oklahoma insurance board approved a special filing on compensation rates applicable to employes in lead and zinc mining industry and in chat mills. In Code No. Thouse No. 1154 the new rate is \$11.49 per hundred; Code 1452, \$3.19 per hundred and in Code 8810, 8 cents. The change is applicable on all new, renewal and outstanding business beginning Sept. 1. The change does not increase the rate but merely sets up new classifications.

The Ohio Safety Council will hold annual conference Sept. 27-29 in Cleveland.

President J. W. Donahue of the Insurance Society of Philadelphia has appointed E. E. Lindner of the Indemnity of North America general chairman of the annual banquet committee. Feb. 19 has been fixed as the day for the banquet, at the Penn Athletic Club.

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business Sept. 5, 1939

Aetna Cas. Aetna Fire Aetna Life Agricultural Amer. Alliance. Amer. Home Amer. (N. J.). Amer. Surety Automobile Balt. Amer. Bankers & Ship. Boston Camden Fire Carolina Contl. Cas. Contl. N. Y. Crum & Forster Com.	Par	Div. 4.00*	Bid A	sked
Aetna Cas	10	4.00*	105	108
Aetna Fire	10	1.60	42 1/2	441/2
Aetna Life	10	1.35*	28	30
Agricultural	25	3.25	74	77
Amer. Alliance	10	1.20*	22	24
Amer. Equitable.	5	1.20	18 1/2	20
Amer. Home	10		7	8 1/2
Amer. (N. J.)	3.5	0	12	131/4
Amer. Surety	25	2.50	45	47
Automobile	10	1.30*	31	33
Balt. Amer.	2.5	0 .30*	0	6 %
Bankers & Ship.	25	5.00	92	95
Boston	100	21.00	600	630
Camden Fire	30	1.00	19	21
Carolina	10	1.30	25	27
Contl. Cas	0 50	1.20	30	31 1/2
Conti., N. Y	2.50	1.80*	31	33
Crum & Forster	10	1 00	0.0	0.0
Com. Dain	10	1.00	46	28
Employers Rein.	10	0.1.00	20	48
Fidelity-Phen	10	9.50	31	03
Fire Assil	10	4.0	914	01
Franklin	8	1.400	96	20 72
Con Doingun	5	2.40	20	40
Conrola Um Inc	10	1 200	99	9.0
Clone Falls	5	1.60	28	40
Clobe & Penub	5	5.0	101/	111/
Gt Amer Fire	5	1 20*	241/	96
Gt Amer Ind	1	20	10	11
Halifay Ins	10	1.00**	20	911/
Hanover Fire	10	1.20	25	27 72
Hartford Fire	10	2.00	7.4	76
Hartford St. Boil.	10	1.60	56	59
Home Fire Sec	10		1 3/4	2
Home Ins. (N.Y.)	5	1.60*	30	32
Home Indem	3		11	13
Ins. Co. of N. A.	10	2.50*	59	62
Lincoln Fire	5		2 1/4	2 3/4
Maryland Cas	1		2 3/4	3 1/4
Mass. Bonding	12.5	50 3.50	54	56
Merch.Com.(N.Y.)	5	1.70*	41	45
Natl. Cas	10	1.20*	27	29
Natl. Fire	10	2.00	55	57
Natl. Liberty	2	.40*	7	8
New Am. Cas	2	.65	13	14
New Hampshire.	10	1.80	44	46
Northern (N. 1.)	12.3	00.6 00	100	105
North River	2.3	50 1.20	24	26
N. W. Nati.	25	5.75*	125	130
Phoenix, Conn	16	2.50*	72	75
Prov. Work	10	1.00*	16 %	171/2
St Don't F & M	69	50 9 00	995	32
Security Conn	10	1.40	220	230
Sprofd F & M	25	4.758	119 72	31/2
Travelers	100	16.00	495	110
II S Fire	A	2.00	40	400
U.S.F.&C	9	1.00	20	91
Westchester Fire	9	50 1 60*	20	20
Contl. Cas. Contl., N. Y. Crum & Forster Com. Employers Rein. Fidelity-Phen. Fire Assn. Firemen's (N.J.) Franklin Gen. Reinsur. Georgia Hm. Ins. Globe & Repub. Gl. Amer. Fire. Gt. Amer. Ind. Halifax Ins. Hantford Fire. Hartford Fire. Hartford St. Boll. Home Fire Sec. Home Indem. Ins. Co. of N. A. Lincoln Fire Maryland Cas. Mass. Bonding. Merch.Com.(N.Y.) Natl. Cas. Natl. Fire Natl. Liberty New Am. Cas. New Hampshire. Northern (N. Y.) North River N. W. Natl. Phoenix, Conn. Preferred Accl. Prov. Wash. St. Paul F. & M Security, Conn. Sprgfd. F. & M Travelers U. S. Fire U. S. Fire U. S. Fire U. S. Fire V. Westchester Fire Vatludes extr	a "	*Canad	ian fur	nde
The second second		- er eret CI	seems a U.S.	4 44 67 0

CONVENTION DATES

Sept. 6-8—Iowa Agents, Hotel Hanford, Mason City.

Sept. 7-8—Oregon Agents, Pilot Butte Inn, Bend.

Sept. 7-8—New Jersey agents, Berkeley-Carteret Hotel, Asbury Park.

Sept. 8-9—Minnesota Agents, Brainerd.

Sept. 8-9—Montana Agents, Butte.

Sept. 13-15 — Pennsylvania Agents, Galen Hall, Wernersville.

Sept. 11-13—International Claim Assn., Westchester Country Club, Rye, N. Y.

Sept. 11-5-16—Colorado Agents, Shirley-Savoy Hotel, Denver.

Sept. 19-20—Michigan Agents, Bancroft Hotel, Saginaw.

Sept. 19-20—Minnesota Insurance Federation, St. Paul Athletic Club, St. Paul.

Sept. 19-20 — Western Underwriters Association, Greenbrier Hotel, White Sulphur Springs.

Sept. 21, Vermont Agents. Basin Har-

tion, St. Paul Athletic Club, St. Paul.
Sept. 19-20 — Western Underwriters
Association, Greenbrier Hotel, White
Sulphur Springs.
Sept. 21, Vermont Agents, Basin Harbor, Lake Champlain.
Sept. 22-23—New Mexico Agents, Franciscan Hotel, Albuquerque.
Oct. 1-3—Insurance Advertising Conference, Statler Hotel, Boston.
Oct. 2-5—National Association of Insurance Agents, Statler Hotel, Boston.
Oct. 9-12—Annual Casualty Convention, Greenbrier Hotel, White Sulphur
Springs, W. Va.
Oct. 10.—New Hampshire Agents, Carpenter Hotel, Manchester.
Oct. 13-14—Insurance Federation of
New York, Hotel Arlington, Binghamton.
Oct. 16-18 — Ohio Agents, Biltmore
Hotel, Dayton.
Oct. 18-20—Kansas Agents, Jayhawk
Hotel, Topeka.
Oct. 19-20.—Ontario Agents, Royal

Oct. 16-18 — Ohio Agents, Biltmore Hotel, Dayton.
Oct. 18-20—Kansas Agents, Jayhawk Hotel, Topeka.
Oct. 19-20.—Ontario Agents, Royal York Hotel, Toronto,
Oct. 19-20—Wisconsin Agents, Hotel Wausau, Wausau.
Oct. 19-21—Maryland Agents, Hotel Hermitage, Nashville.
Oct. 19-21—Maryland Agents, Carvel Hall, Annapolis.
Oct. 23-24—Missouri Agents, Horen Hotel, Excelsior Springs.
Oct. 25—South Dakota Agents, Huron Nov. 8-9—Illinois Agents, Abraham Lincoln Hotel, Springfield.
Nov. 9-10.—Indiana agents, Indianapolis Athletic Club, Indianapolis.
Nov. 13-15—California Agents, Hotel Oakland, Oakland.
Dec. 6-9.—Insurance Commissioners, Edgewater Gulf Hotel, Edgewater Park, Miss.

POINTERS FOR LOCAL AGENTS

Local Agent Needs to Make Survey of His Own Picture

C. M. Marshall of San Francisco, as-sistant manager coast department of the Aetna Fire, spoke before the Washington agents and Oregon agents meetings using much the same material in both addresses. He told about the constant changes in the business and the need to keep in close touch with what is going The new developments make perative a program of constant self-edu-cation, he said. The business is wit-nessing a gradual downward trend of rate levels and there is no sound rea-son, in his opinion, to believe the end is in sight. Another obvious trend, he finds, is toward more comprehensive

The commission income of agents who are not selling new and broadened coverage is diminishing, first, because of the reduction in the amount of renewal premiums, and next, because the agents expose their renewals to attack by competitors who are selling modern protection, and next, because agents are foreshortening their selling horizon in over-looking, in the sales possibilities of new looking, in the sales possibilities of new coverages, an opportunity to build up a larger clientele. He spoke of an Aetna Fire agent in a town of less than 1,500 population who has sold 15 personal property floaters. Prior to the sale of the first policy he was convinced there was no market for the contract in such

Production Problems Vary

Mr. Marshall said that the production problems of agencies vary according to the potential volume and character of the insurance to be written. The population of the place and the contiguous territory and resources of the district govern these factors to a large extent. Every agency, he said, should have an uptodate source file of information on every subject of insurance for which there is a need in the territory in which he operates.

The real difference, Mr. Marshall said, between standard stock company insurance and most cut-rate indemnity, particularly that offered by direct writing and participating insurers can be summed up in two words, "service and

Eleven Points of Service

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ap.

He summarized 11 points of vital service that every agent should ren-der his clients as follows:

1. The construction and insurable value of the buildings, and the value of the furniture, equipment, and stock therein, their vulnerability to damage from inherent and exposure hazards with recommendations for eliminating, minimizing, safeguarding, and insuring against these hazards, stressing those from which the most serious loss would result, and giving consideration to the possibility of reducing the rate by eliminating or "cutting-off" exposures, reducing fire areas or installing fire pro-

reducing fire areas tection devices.

2. The possibility of a shut-down caused by the aforementioned hazards, for insuring for insuring techniques.

against loss of earnings and for minimizagainst loss of through utilization of temporary buildings and equipment.

3. The possibility of a loss of earnings as a result of the inability of outside plants to furnish power or spare

4. The possibility of a loss of rental

income or rental values as a result of damage to buildings by inherent or exposure hazards, with an estimate of the

posure nazards, with an estimate of the maximum time required to rebuild, and recommendations for insurance.

5. The possibility of a loss of lease-hold profit by reason of the cancellation of a favorable lease under the conditions of its fire clause, necessitating the payment of increased rent.

6. A summarization of the manufac-turing or merchandising operations and methods of transporting, with recom-mendations for insuring the merchan-dise, materials and supplies—not only against direct and consequential loss while on the premises, but also while being transported, and (if an extensive installment sale business is transacted) protection of the firm's interest at least in the merchandise being purchased under contract, and protection of the ac-counts receivable records.

7. A careful check of all vehicles used the business (regardless of whether they are the property of the firm, are hired, or are owned personally by employes), with recommendations for insuring against physical damage to the firm's own property, and—what is more important—insuring against liability claims arising out of the operation or use of these vehicles in the business.

Other Recommendations

Recommendations for the purchase of indemnity against claims arising out of the use and occupancy of the prem-ises—liability assumed under contracts, or agreements-and liability posed by law (such as applies to bailees

9. Recommendations for indemnity

against loss occasioned by criminals from without or dishonest employes a minimum of traveling?"

Mr. Marshell references:

10. Possibility of loss by reason of the inability of others, with whom the firm has business dealings, to complete per-formances of contracts and agreements.

11. The advisability of indemnifying the firm for loss to the business of the service of its principals or partners.

"A large order? Yes—but how can you negotiate insurance protection for a client, unless you have the complete pic-ture?" Mr. Marshall contended. This gives an agent and the assured a com-plete picture of the insured's needs.

Choosing One's Companies

He referred to the necessity for sell-ing sound indemnity and in choosing company representation, he said an agent should ask himself: "How would company this company withstand abnormal de-mands for payment of losses during adverse conditions, such as a rapid drop in the value of its investments or in the face of conflagrations or other catas-

Another question that might be asked is: "Do all companies represented by my agency have the highest reputation

my agency have the highest reputation for sound management and integrity?"

An analysis of the weaknesses of salesmen made by a nationally known sales consultant listed the following:

(1) Poor management of time; (2) low factor of initiative in finding prospects, (3) ineffective approach technique; (4) (3) ineffective approach technique; (4) weak "educational" selling—to the prospect who already is "satisfied without it." (5) easily upset by objections—not properly prepared in advance for meeting them; (6) needlessly terrified by price competition; (7) ineffective

closing tactics.

Another question that an agent should ask himself is, "Have I planned my work so that I know each morning on whom I am to call that day and the forms of protection each prospect needs most, and have I arranged each call geo-

Mr. Marshall referred to the need of a live prospect list so that he can send out advertising material and on whom he can call periodically, preferably within 10 days after a piece of advertis-ing is received. The names of prospec-tive customers, he said, that an agent can gather in his files are limited only by his own ingenuity and the diligence

with which he seeks them.

Then Mr. Marshall touched on the in-Then Mr. Marshall touched on the ineffective approach. He thinks it is a splendid idea to ask questions in the approach. He would avoid at all times the use of a negative opening, such as, "I was passing by and thought I would drop in to see you for a moment." This leads to another question: "Before I see any prospect, do I carefully consider how I am going to broach my subject in such a way as to arouse his inject in such a way as to arouse his in-terest?" The sales presentation, he said, should always be concise and vivid. Give the assured, he suggested, so many reasons for buying that his reasons for not buying will be outweighed com-

Making a Sales Presentation

Another question is: "Have I an outline to follow when making a sales presentation which stresses vividly the need for the coverage and omits, as far as possible, reference to the technical aspects of the coverage?" Many agents, he said, are weak in their inability to he said, are weak in their inability to cope with objections.

Then he should ask himself, "Have I

listed and prepared answers to the objections I have encountered in my sales

interviews? Next has to do with price competi-on. He would ask this question: "Am I able to demonstrate that the service and security I furnish my clients are worth more than the difference between the cost of the protection I am selling and that of direct-writing or participating insurers?" Mr. Marshall further

"Ineffective closing tactics is listed

Ineffective Closing Tactics

as the last outstanding weakness of a salesman. The closing of the sale also is the last in the selling process, but by no means the least important. The successful closing of a sale, unlike the closing of a letter, is not an appendage but rather a summation or review of the high-spots of your sales talk, so arranged that the prospect will be influenced to say to himself: 'I will buy now.' When you are approaching the end of a sales presentation, the prospect is faced with the task, before making a decision, of correlating all that you have decision, of correlating all that you have said. Hence the necessity for a brief summary of the high points and the question. 'Have I made everything clear,' or 'Any questions you would like to ask?' Ofttimes you receive a voluntary signal from the prospect that he is ready to close; for example when he is ready to close; for example, when he asks, 'When do I have to pay the premium?' Sometimes you can take the premium?" Sometimes you can take the buyer's decision for granted and encourage closing by asking a question which calls for a minor decision; for example, 'Would you prefer to have your rental income from all your properties insured under one policy, or would you prefer to have individual collisies against the inhave individual policies covering the in-come from each separate piece of property? Most sales presentations fail for lack of what is known as an 'action close.' A sales official expressed his feelings on this point by saying, "I would trade all marketing experts, all sales managers, all radio, all billboards for one little worden who would have for one little moron who would hang on—come hell, high water or inflation—

(CONTINUED ON PAGE 38)

Loading and Unloading Clause

Question—One of our customers op-erates a large fireproof and sprinklered storage warehouse and is affiliated with the Allied Van Lines in connection with their household goods moving. In past they have carried public liability and property damage insurance on their trucks and manufacturers and contrac-tors form of public liability. This last mentioned coverage has always been a source of irritation to them because of its high cost for what they consider the limited hazard involved and we suggested to them that it was our opinion that if they would carry an owners, landlords and tenants policy on their warehouse their outside liability would be covered under the loading and unloading feature in their automobile public liability and property damage policy. lic liability and property damage policy, particularly so because they do no rig-ging or other outside work than usual to and incidental to the picking up and delivering of merchandise.

Will you let us have your thoughts on

this matter? Answer—We doubt if any casualty company would accept public liability on a storage warehouse under an owners, landlords and tenants form. The classification for this coverage is clearly provided in the manufacturers and conprovided in the manufacturers and contractors section of the liability manual and there is no O. L. & T. classification which would fit it. Further, the companies maintain that a risk of this type presents a hazard which amply justifies the rate. They also maintain

that the hazard varies with the activity of the assured and hence that a payroll basis, rather than an area basis, is justi-

If a company would accept this risk

on the O. L. & T. basis, we believe your client would be running considerable danger of an uninsured loss. He would have to rely upon the loading and unloading coverage of his automobile policy for all accidents occurring away from the premises. It is a close question as to how far this clause extends and many cases have gone to courts of last resort on the question of whether an automobile policy or manufacturers and contractors policy should pay for an accident involving furniture moving. Generally, southing the court of the contractors are the contractors of the court of the erally speaking, the courts are getting away from a broad construction of the loading and unloading feature of the automobile policy and hold that coverage ceases as soon as the goods are brought to the first place of deposit and does not take effect until the goods leave the last place of deposit. If your bloom's complexer were likely to cover for leave the last place of deposit. If your client's employes are likely to carry furniture into houses, pack it and unpack it, and do other work usual to household furniture moving, there are almost certain to be cases in which it is very doubtful if the automobile policy will cover it. The danger of overlapping claims is so great that the manual provides that the manufacturers and contractors policy on storage warehouses may be written only if teams and automobile liability insurance are carried in mobile liability insurance are carried in the same companies

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for Michigan Meet

LANSING, MICH .- Theme of the

LANSING, MICH.—Theme of the Michigan Association of Insurance Agents annual convention in Saginaw Sept. 19-20 will be "Teamwork—Based on Better Understanding," W. O. Hildebrand, secretary-manager announced. Principal outside speakers at the general sessions at the Bancroft hotel will be T. Alfred Fleming, director of conservation National Board, on "Insurance, the Mainstay of Credit" and Sidney O. Smith, Gainesville, Ga., chairman executive committee National association, on association activities.

man executive committee National asso-ciation, on association activities.

Other special speakers will include:
John A. Smith, Grand Rapids attorney,
on "Consumer Cooperatives;" Arno R.
Schorer, Kalamazoo agent, the new dis-covery bond; C. E. L. Burwell, Grinnell-Row Company, Grand Rapids, on "Edutional Facilities Made Possible Through Organization," and J. M. Crosby, Jr., Grand Rapids, chairman of the membership committee National association, on the national membership drive, and W. Hooper, Detroit manager Retail

D. Hooper, Detroit manager Retail Credit Company.
Officers' reports will be given by President Martin Mullally, Muskegon; George W. Carter, Detroit, national councillor; Secretary-Manager Hildebrand, and David A. Forbes, Grand Rapids, treasurer. Committee chairmen will also report will also report.

will also report.

Commissioner Emery of Michigan and R. P. Shorts, president Second National Bank & Trust company, Saginaw, will be the main speakers at the banquet Sept. 19. A special table is being arranged for all living state association past presidents. George M. Goodell, Languer in the older of the former again. sing, is the oldest of the former association heads while O. E. Jenison, also of Lansing and at one time associated with Mr. Goodell, served his term longest ago. Douglas H. Nelson, Saginaw agent, will be toastmaster.

A question and answer period, conducted by William A. Doyle, Highland

Teamwork Is Theme
for Michigan Meet

Park, state association vice-president, and a sound film, "The Right to Work and the American Way," will be among the instructive features of the Wednesday program, which will adjourn early in order to permit attendance by many agents at the Louis-Pastor fight in Detroit that night.

Iowa U. & O. Forms Revised to Comport with Statute Governing Coinsurance

A new use and occupancy contribu-A new use and occupancy contribu-tion form and new gross earnings form have become effective in Iowa to make the procedure conform with the Iowa statutory coinsurance clause. The fact that the former procedure was not in conformity with the coinsurance law was brought to the attention of the Iowa department and the companies were advised that a change had to be made. Considerable ingenuity was required in getting up the new forms, because the Iowa statutory coinsurance clause was devised for straight property dam-age coverage and not for U. & O.

Under the Iowa law the assured must file a request for the application of the coinsurance clause and a form for making the request has been published. It is attached to the coinsurance and reduced rate clause in perforated style.

is attached to the coinsurance and reduced rate clause in perforated style. The request reads:

"In consideration of a reduction from the established rate of . . . percent to . . . percent to . . . percent to . . . percent in premiums to be paid to the . . Insurance Company for insurance upon the described property . . . I hereby request that a co-insurance rider be attached to the policy to be issued by said company and hereby agree, that during the life of the policy I will maintain insurance of the character mentioned in said policy upon said property to the extent of at least . . . percent of the actual cash value thereof at the time of loss, and that failing to do so, I shall become a coinsurer to the extent of such deficit.

"Before signing this request or the coinsurance rider to be attached to the policy to be issued I carefully read each of them and fully understand that in case I shall fail to maintain insurance of the character mentioned in the policy on the previous described property to the extent above provided, then in the event of loss or damage this company shall not be liable for a greater percent of the

extent above provided, then in the event of loss or damage this company shall not be liable for a greater percent of the loss or damage to said property than the total amount of insurance maintained bears to . . . percent of the actual cash value of the property insured at the time of loss.

"Note—The coinsurance rider to be

"Note—The coinsurance rider to be used shall be signed by both the agent used shall be signed by both the agent and the insured and a copy thereof shall be left with the insured at the time the application is made for insurance." The Iowa statutory coinsurance clause,

which must be signed by both the assured and the agent, reads:

sured and the agent, reads:
"In consideration of the acceptance by
the insured of a reduction in premiums
from the established rate of ... percent
to ... percent, it is hereby agreed that
the insured shall maintain insurance during the life of this policy upon the property insured to the extent of at least ...
percent of the actual cash value thereof
at the time of loss, and that failing to
do so, the insured shall be a coinsurer
to the extent of such deficit.

"This clause, at the request of the insured, is attached to and forms part of

"This clause, at the request of the in-sured, is attached to and forms part of policy number . . . of the . . . Insur-ance Company of . . . and shall in no case apply to dwellings or farm prop-arty."

Then in order to adapt the clause to the use and occupancy situation, there is added to the clause this "description of 'property' and 'actual cash value."

"Wherever the term property appears in the above Iowa coinsurance and reduced rate clause it is hereby described to the country value; and

the use and occupancy value; and

the term actual cash value, as employed in said Iowa coinsurance and reduced rate clause, is hereby described as fol-

rate clause, is hereby described as follows:

"(a) Under Item I of the use and occupancy form the sum of the annual amount of all charges and other expenses (except the expense of the insured's entire ordinary payroll, the expense of heat, light and power and the expense incurred for purpose of reducing any loss under this policy) that would have been earned (had no fire occurred) during the 12 months immediately following loss or damage by fire, whether or not said charges and other expenses necessarily continue during a total or partial suspension of business.

"(b) Under Item II of the use and occupancy form, the insured's entire ordinary payroll, excluding only salaries described in Item I, which would have been earned (had no fire occurred) during the 90 consecutive days immediately following loss or damage by fire."

For the business interruption or gross

For the business interruption or gross earnings form there is this "description of 'property' and 'actual cash value.

of 'property' and 'actual cash value.'"
"Wherever the term property appears
in the above Iowa coinsurance and reduced rate clause it is hereby described
as the business interruption value; and
the term actual cash value as employed
in said Iowa coinsurance and reduced
rate clause, is hereby described as the
gross earnings that would have been
earned (had no fire occurred) during
the 12 months immediately following
loss or damage by fire."

New Dwelling Schedule and Farm Schedule Introduced in Kansas This Week

A new dwelling schedule became effective in Kansas this week. The rates for dwellings in protected cities and towns of classes 1-8, inclusive, are reduced 2 cents and the rate in towns of classes 9-10 are increased 4 cents. The differential in rate between barns and out buildings in connection with dwellings has been eliminated in towns of all classes. Heretofore the rates for such out buildings and barns were 10 cents higher than for the dwelling itself.

At the same time a new farm schedule was introduced in Kansas. The new rules for rural fire prevention that are now in effect in most of the mid-western states, have been made applicable to Kansas. The new rates and rules for unearned premium insurance are intro-

duced there.

Fire and lightning rates have been reduced in all classes. The general reduction is about 5 cents from the fire and lightning cash rate for one year. The reduction is applicable to the long term plan and the installment plan as

Under a new rule for grain insurance, ordinary grain, when written with other farm property, may take the same rate as applies to farm personal property. When written separately the fire rate is \$1 on ordinary grain. The rate is \$1.25 for a perifect policy covering all grains. for a specific policy covering all grain, cut and uncut.

Rates for silos of concrete stave, metal and hollow concrete block con-The rates for wood silos remain the same except that the charge that was formerly imposed for no roof is removed. There are new rates for wind

mills and wind chargers.

The new rules for superior type farm arns that have been in effect in other middle western states are now applicable in Kansas. There are rates for power farm machinery and combines. The latter now can be written for a term when written with other farm personal prop-

Combines may now be written at the regular rates applying to farm personal property, which means a substantial reduction in rates.

The new short rate table for five year

Ohio Secretary



AUSTIN McELROY

Austin McElroy of Columbus, who has been appointed secretary-treasurer of the Ohio Association of Insurance Agents, is a former president of that organization, having served two terms. Mr. McElroy will continue the operation of his agency, however. He takes the place left vacant when John A. Lloyd became Ohio insurance superintendent. Since that time Paul R. her, general counsel of the association, has been serving as temporary secretary.

installment business has been introduced. This is in line with the rules in most other states.

Potter Minneapolis Speaker

MINNEAPOLIS—Wellington Pot-ter, Rochester, N. Y., will address the annual meeting of the Minneapolis Underwriters Association at the Inter-lachen club Sept. 11 on "Must a Paul Revere Ride Again?" Four directors will be elected.

Honor C. G. Greene on Retirement

C. G. Greene, who has been active in the insurance field in Cedar Rapids, Ia., since 1878, is retiring and will turn his agency over to Robert Cizek, who for-merly was with the agency. He was given a testimonial dinner by the Cedar Rapids Association of Insurance Agents, attended by several field men.

Approximately 35 members of the Cedar Rapids association were present, together with R. W. Forshay, Anita, Ia., national councillor; R. W. Stuhrman, state agent Northern Assurance; Harry Dunker, state agent National American, and L. B. Newendorp, state agent North British & Mercantile.

Mr. Greene was presented an inscribed fountain pen and pencil set by R. I. Safely, pioneer Cedar Rapids agent.

Survey St. Joseph County Line

SOUTH BEND, IND.—A committee of local board members composed of D. S. Ellison and Paul Shanahan, South Bend, and A. J. Schindler, Mishawaka, has filed a preliminary survey and report with the county commissioners of

WISCONSIN AGENCY WANTED

Young man, with family, desires to purchase on long term basis, well established agency in medium sized community. Buyer experienced and qualified in agency management. Give complete details and reasons for selling. ADDRESS K-38, NATIONAL UNDERWRITER

Fire Field Men

The bards can sing The bards can sing
Of their English king,
And the power he loved to feel;
But beat if you can
A fire fieldman
As he rides in his automobile.

At his own inclination At his own inclination
He takes a vacation,
He searches the state for a thrill;
He risks his well-being
At the sport he calls skiing
And laughs with delight at a spill.

He often goes out
And brings back a trout,
He even gets time to hunt deer;
The time he spends swimmin'
And talking to women
Adds up in the course of a year.

As he rides in his automobile;
A good job if you land it
And think you can stand it
But you've got to be made out of steel.

—J. B. Douglas, Albany, N. Y.,
London, & Lancashire. London & Lancashire.

There is a great deal of interest these days in obsolescense insurance. It seems that obcoleseense insurance gives you your money back when your flat gets obcolesent or if you have a factory when it gets obsulecens. Many agents say absulesent insurance is an entering wedge for other lines.

St. Joseph county regarding rates and coverages on the county's \$1,314,000 fire and extended coverage line on county buildings and contents. The business, on a three-year basis, will be up for removal part year.

To Hold Double Election

ST. PAUL-To meet all the legal requirements the Insurance Exchange of St. Paul will have to hold a double election Sept. 13, the annual meeting date. The exchange is changing to a corpora-



An Executive's Index to Responsible Firms

Insurance Law List

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ERIC ERICKSON

552 W. ADAMS ST. Franklin 4781 CHICAGO

Minnesota Speaker



George R. Teeson of Alexandria, who president of the Minnesota Insurance Federation, is one of the principal speakers at the annual meeting of the Minnesota Association of Insurance Agents at

tion and to comply with the law the present unincorporated exchange will have to elect officers, after which the corporation will have to go through the same procedure, electing the same offi-

Golf Tourney at Ohio Meet

One of the outstanding entertainment features in connection with the annual convention of the Ohio Association of Insurance Agents in Dayton will be the annual insurance golf tournament. on Oct. 16. A fine array of prizes has been

T. C. Field Opens New Agency

ST. PAUL-T. C. Field & Co. is the ST. PAUL—T. C. Field & Co. is the name of a new agency at 264 Lowry Medical Arts building. Members of the new agency are T. C. Field, for many years a partner in the Joseph A. Rogers agency; Evar T. Cedarleaf, T. C. Field, 3rd, A. A. Gruber, C. M. Shaw and A. F. McNamara.

T. C. Field & Co. will be general agents for Minnesota, Iowa, western Wisconsin, North and South Dakota and Montana for the Seaboard Surety and general agents in Minnesota for the Royal Indemnity. It will act as local

and general agents in Minnesota for the Royal Indemnity. It will act as local agent for a number of fire companies. As of Sept. 1 the Joseph A. Rogers agency was dissolved. Mark Rogers, the other member of that firm, has es-tablished the firm of Joseph A. Rogers Company, Insurance.

New Companies in Ohio

Companies recently licensed in Ohio include: Pioneer Equitable, Lebanon, Ind.; Equitable Fire, Charleston, S. C.; Cream City Mutual Fire, Milwaukee.

NEWS BRIEFS

The Illinois department has examined Mt. Carroll Mutual Fire of Mt. Carroll, Ill., as of Dec. 31, 1938, showing assets \$45,334, surplus \$31,491. R. E. Boyd is president and H. P. Hostetter is secretary. The rates charged are about two-thirds of the board rates. Premiums received in 1938 were \$4,243, assessments received \$35,108, total income \$48,963, losses paid \$36,059, total disbursements \$47,178. All policies are issued for a term of five years.

will move the Koop agency to South St. Paul. Mr. Koop has withdrawn from the local agency field to center his activities on general agency work in Minneapolis.

Commissioner Yetka will speak at the annual fire school in Stewartville, Minn.,

The National Fire Protection Association is concerned with the situation at **Omaha**, because of its city finances. Twenty-three men were scheduled for a four months' layoff but this was forestalled last month by a donation of \$12,000 from the Metropolitan Utilities District, which operates the municipally-owned gas and water works.

The Mill Owners Mutual Fire has purchased the Great Western building at 2015 Grand avenue, Des Moines, for use as its home office.

W. A. Gibson, Jr., state agent North British & Mercantile, will address the meeting of the Insurance Women's League of Detroit, Sept. 12 on "Busi-ness Interruption and Unearned Pre-mium Insurance." mium Insurance.

Norman I. Ettinger, local agent of Rockford, Ill., was married Sunday to Shirley Finkel, the daughter of Mr. and Mrs. Asher O. Finkel.

James Kingsley has joined the Cincinnati office of the Ohio Inspection Bureau. He is a son of G. C. Kingsley, president of the Recording & Statistical Corporation.

Coshocton and Buckeye Lake are being rerated by the Ohio Inspection Bu-reau. The work at Coshocton will probably be finished by Oct. 1. The bureau now has on the press its new classification of Ohio towns and its list of Ohio

R. N. Wise of Louisville, Ky., has been denied a foreign broker's license by the Ohio department.

A. B. Musser has joined the Musser Insurance Agency, **Wapakoneta**, **O.**, which is operated by his mother, Mrs. Robine Musser.

Robine Musser.

A. C. Jordan has taken over the Jordan & Mudge agency, Williamsburg, O.

H. W. Jones has purchased the Scott Insurance Agency, Worthington, O. F.
W. Scott, who operated the agency with Mr. Jones, died recently.

P. D. Moyer of Waldo, O., has retired and his agency has been sold to Mrs. Dessa M. Coleman.

COAST

Lichtenstein Reviews Past Developments, Looks Ahead

In his address before the Utah Fire & Casualty Insurors Association at Salt Lake City, Joy Lichtenstein, San Fran-cisco, Pacific Coast manager Hartford Fire and Hartford Accident, pointed out Fire and Hartford Accident, pointed out the difference between comprehensive and all-risk policies. The former, he explained, group and enumerate the hazards which they cover, while the coverage of the latter is limited only by its exclusions. This distinction is not fully understood by agents and the public. The insurance business, Mr. Lichtentein early is in a transition period from

The insurance business, Mr. Lichtenstein said, is in a transition period from the single track policy into the comprehensive, and in turn the comprehensive will evolve into the all-risk form.

Speaking on trends in the business, Mr. Lichtenstein briefly reviewed the important fire and casualty developments over the last 10 years. He mentioned provisional reporting forms, extended coverage endorsement, which he claimed originated in California when a charge was made for the elimination of the fallen building clause, personal property floater, comprehensive liability insurance and product liability insurance.

As important trends in the business, he cited greater attention being given to

he cited greater attention being given to educational work on the part of both companies and agents, the Business Development Office, developing and selling The Roy A. Mitchell agency of South St. Paul has purchased the W. T. Koop local agency of St. Paul and its membership in the Insurance Exchange. It

Is Presiding



WARD H. COBLE

President Ward H. Coble of the Oregon Insurance Agents Association, is presiding over the annual convention in his home city, Bend, this week. He is one of the leaders in his state and has taken an active part in Oregon activities.

qualification laws and the work of stock company associations, such as the National Board and the Association of Cas-

ualty & Surety Executives.

The most prominent question at present, said Mr. Lichtenstein, is the effect on insurance of the present government steps toward social security and medical service. He held out the hope that both service. He held out the hope that both these trends would redound to the advantage of insurance, since the large amount of life insurance provided by the government for soldiers during the last war gave many persons their first taste of life insurance and increased rather than diminished the business of private than diminished the business of private life insurance companies. The same should happen as social security matures and as the working and white collar classes come to realize the need of adequate hospital protection.

Start F. U. A. P. Classes

SAN FRANCISCO - Speakers at the organization meeting for the fall classes of the Fire Underwriters Association of the Pacific were: C. R. Page,

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president Fireman's Fund; Joy Lichtenstein, vice-president Hartford Accident; E. W. Bonstin, vice-president Pacific National Fire, and these instructors: G. A. Yocum (Fire I class), H. B. Mariner (Fire III), G. Kirkham Smith (inland marine) and Paul Nixon (public speaking)

speaking).

Charles A. Colvin, Pacific Coast manager Providence-Washington, chairman of the educational committee of the association, presided.

List Two California Speakers Among the speakers at the convention of the California Association of Insurance Agents in Oakland Nov. 13-15 will be Charles C. Hannah, vice-president Fireman's Fund, who will talk on trends in the business, and H. W. Semplinger, special great Great Agent melmeyer, special agent Great American, Los Angeles, who will preside over a sales seminar.

Launch New California Mutual

SAN FRANCISCO - The California department has approved the name Crown Mutual Fire of San Francisco. The department states that Frank O'Neill is behind the Crown Mutual and that this is the first mutual fire company to be attempted in California.

Mrs. Lillian Young, secretary to William Schleip, supervising examiner of the California department, is recuperating at a Palo Alto hospital following a serious automobile accident in which her husband was killed.

HTUO2

Conflagration Risk in Texas Cities

The National Fire Protection Association states that visits of its engineers disclose a conflagration hazard of seri-ous proportions in the principal cities of Texas. They are growing rapidly and extensive new areas of dwelling house construction are developing. Because of economic and other local conditions the great majority of roofs are wooden shin-gles. This situation was observed in Houston, Austin, Dallas and Fort Worth. Each of these cities is building for a major conflagration in its residential areas, the association predicts. The probability of such conflagration will increase as the roofs get older and progressively more readily ignited by sparks, the engineers reported. The situation is serious because of the high frequency of grass fires in all these cities, any one which might produce the spark needed to touch off a sweeping fire, the association declared. Two large *cities, San Antonio and El Paso, as well as numerous smaller ones, do not permit wooden shingle roofing. These are in no material danger from sweeping residential district fires, the National Fire Protection Association de-

Conditions in Houston

The N. F. P. A. finds conditions in Houston measurably better. Chief Engineer Bond conferred with the city officials and the fire prevention committee of the chamber of commerce. Fire de-

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ess K-34, The National Underwriter 175 W. Jackson Boulevard Chicago

partment training has been begun and a salvage squad is projected. Undermanning of fire companies, Engineer Bond says, is worse. Financial difficulties still stand in the way of the development of adequate basic water supplies ment of adequate basic water supplies. However, the city got by a dry-spell peak load this summer of 41,000,000 gallons per day without serious pressure drops, which indicates increased reliabilas the result of improvements re

The engineers visited San Antonio The engineers visited San Antonio where there is a new city administration and they prepared a program for the fire department. This included recommendations for more inspection work, better training for firemen, modernization of building and fire ordinances, a new fire alarm system and additional ladder

Tennessee Agents' Program Announced

NASHVILLE, TENN.—The annual convention of the Tennessee Association of Insurance Agents will be held in Nashville, Hermitage Hotel, Oct. 19-20, with President W. G. Pettigrew, Knoxville, presiding. Manager John D. Saint has given out a tentative program:

Wednesday, Oct. 18

Preliminary conference session; meeting of executive committee with exchange president, 1 p. m.; officers' dinner, 6:30 p. m.

Thursday, Oct. 19

Formal convention opening. President's annual address. Address by National Association offi-

cer.
Address by James M. McCormack, Tenessee insurance commissioner. Greetings from Field Club.

"The State Insurance School," McCord, Jacksonville, Fla., n. councillor.

Cooperatives and American Business. The Retail Credit Survey.

Afternoon

Two forum groups: (a) Farm or rural group, special program to be arranged in a separate hall.
(b) Recording agents group.
Comprehensive auto policies.
B. D. O. program.
Licensing of agents and records, E. D. King, chief clerk licensing division Tensessee insurance department.

ssee insurance department.
"What I Would Do If I Were a Special

"What I would Do If I Were a Special Agent," by an agent.
"What I Would Do If I Were an Agent," by a special agent.
Public relations program.
"The Exchange as a Unit of Defense by One Who Knows."

Highway safety program. Banquet, entertainment, dance.

Friday, Oct. 20

Executive agents' session open to all

ock local agents. Exchange officers' breakfast, 7:30 a.m. Business session, opening 9:30 a. m. Administrative report embracing con-

Administrative repo fidential subjects. Order of business. Committee reports. Discussions. Election of officers. Adjournment.

President Pettigrew has announced the following convention constitution and by-laws committee: W. C. Brown, Chattanooga, chairman; C. R. Morgan, Knoxville and D. E. Clark, Nashville.

Fire Prevention Men Meet

NASHVILLE, TENN. - Twenty-NASHVILLE, TENN. — Twenty-five deputies of the state fire prevention division of the Tennessee insurance department held a three-day conference in Nashville, with Commissioner McCormack. Governor Cooper declared that there are too many fires of designed origin. Fire insurance in Tennessee in 1919 cost \$1.18 per \$100 as compared with 79 cents per \$100 today, he said. with 79 cents per \$100 today, he said.

Missouri Storm Hits Oklahoma

The wind and hail storm that struck The wind and nail storm that struck Joplin, Carthage and other Missouricities, also reached into Oklahoma, causing losses in the lead and zinc mining region including Vinita, Grove, Afton, Welch, Miami, Commerce, Picher, Quapaw, Ketchum, Disney and Bluejacket.

H. W. Weldon, manager at Tulsa for the Fire Companies Adjustment Bureau, estimates that there will be from 2.000 to 2,500 claims in Oklahoma, some of the damage running exceedingly heavy. The bureau has established offices in Vinita and in Miami. temporary

The total cost of the storm to insur-ance companies is still estimated at about \$500,000.

Tulsa Suburban Rates Cut

TULSA, OKLA. - With completion of a contract between Tulsa county and the city of Tulsa for fire protection on suburban property, rates on such risks have been reduced an average of 50 percent by the Oklahoma Inspection Bu-reau. Frame dwellings with approved roofs now take a rate of 36 cents com-pared to 74 cents, and brick dwellings with approved roofs 28 cents against 60

Agents Ready for B. D. O. Drive

NASHVILLE, TENN. - The Tennessee Association of Insurance Agents has named A. G. Bennett, Nashville,

vice-chairman of the B.D.O. program in Tennessee. The Tennessee Field in Tennessee. The Tennessee Field Club has not yet named its committee. Officials of the Tennessee Association

of Insurance Agents feel that a B.D.O. program should be launched immediately and are ready to start as soon as the field men take action.

Tobacco Hail Damage in Tennessee

CLARKSVILE, TENN. - The corst hail and wind storm ever to hit worst hail and wind storm ever to hit Montgomery county did at least \$50,000 damage to the black tobacco crop, which was about ready to cut and put into the barns. King & Northington, local agents, stated there are only 30 hail-wind insurance policies carried in the county. Only three losses have been reported to them. No losses have been reported to Caldwell-Conroy-Marable.

Roark Host to Exchange

J. B. Roark, president of the Texas General Agency Company of San Antonio, and Mrs. Roark were hosts to the members of the San Antonio Insurance Exchange and San Antonio adjusters at

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The largest insurance agency in the State of Wisconsin

Landa Park, New Braunfels, Tex. About

New Tennessee Executive Council

NASHVILLE, TENN. — The Tennessee Association of Insurance Agents has formed an executive council which will meet in Nashville, Oct. 18. It will act as a connecting link between the lo-cal exchange and the state association executive committee.

Ross Coffin, president, and W. C. Myers, vice-president, of the Indiana

CHARTER

OAK

FIRE

INSURANCE

COMPANY

Association of Insurance Agents, accompanied by Fred Richardt, president of the Evansville Exchange, visited Nashville for a first-stand study of the present setup of the Tennessee association of John D. tion under the management of John D.

See 20 Percent Okla. Rate Cut

B. E. Harkey, secretary of the Oklahoma insurance board, announces that the board anticipates that there will be a 20 percent reduction in Oklahoma fire rates amounting to about \$2,000,000 annually. This will be the first general adjustment of the Oklahoma rates since 1929, he said. The dwelling class will benefit primarily.

NEWS BRIEFS

Leslie Duerson, local agent at Jacksboro, Tex., sustained a fractured skull a few days ago when he was hit by a golf ball. He is reported out of danger.

W. H. White, Jr., has been appointed adjuster for Fire Companies Adjustment Bureau with headquarters at 516 Ross building, Hattiesburg, Miss. Mr. White will clear his work through the Gulfport office, which is in charge of M. F. Miazza.

izations, the close supervision over insurance exercised by the state insurance department and the importance of complete insurance protection as recognized by state and national credit associations.

New Hampshire Meeting Oct. 10

The annual meeting of the New Hampshire Association of Insurance Agents will be held at the Carpenter hotel, Manchester, N. H., Oct. 10, according to notice sent out by President George E. Clark.

Middlesex Group Elects

S. C. Schenck has been elected president of the Middlesex County (N. J.)
Underwriters Association, succeeding G.
W. Miller. Other officers are: W. B.
Salisbury, vice-president; T. S. Brown,
secretary. Mr. Brown is chairman of
the executive committee of the New Jersey Association of Underwriters.

Plan Special Agents' Day

The Ocean City (N. J.) Insurance Association will hold its annual "special agents' day" at the Ocean City Country Club Oct. 10. Leon A. Watson, expert of the Schedule Rating Office of New Jersey, will speak at the dinner. It is expected that more than 150 guests will be in attendance.

Rules on Non-Resident Brokers

Commissioner Lovejoy of Maine announces that his department will consider applications for individual non-



DETROIT Most Popular Host Each individual guest receives the utmost in attention and service from all members of the hotel's staff -- every need and comfort is quickly and cheerfully provided. A hearty welcome awaits you at the HOTEL BARLUM. 21 FLOORS OF OUTSIDE ROOMS ALL WITH PRIVATE TUB CADILLAC SQUARE AT BATES STREET

EASTERN STATES ACTIVITIES

N. I. Committees Review the Year

As the New Jersey Association of Underwriters went into annual session at Asbury Park this week, the members were presented with written reports of

the various committees, a procedure that has been followed for the past few years.

President H. D. Holmes and Chairman T. S. Brown of the executive committee presented a summary of the administration. They pointed to the work that the contact committee has done in attempting to negotiate with the companies a state-wide plan on agency appointments. The administration expresses the belief that soon a satisfacworking arrangement will be reached.

Treasurer W. F. O'Brien reported that total receipts for the fiscal year ending Aug. 31, were \$15,256 and dis-

bursements \$14,770.

Total membership is now 800, which Jersey association in fourth place nationally, according to D. M. Pearsall, chairman membership committee. Essex county, with 109, has the largest representation

sentation.

A. T. Riedel, chairman of the rural agents committee, stated that the most important work consisted in cooperating with the educational committee in estab-lishing rural agents forums at Newton, Clinton and in South Jersey. This fall monthly meetings will take place in Newton, Clinton and South Jersey

again. H. L. Godshall, chairman legislative committee, predicted that the legislature will take no further action on pending

will take no further action on pending insurance legislation.

Charles E. Meek, Jr., reported for the educational committee. He spoke of the educational activities of the association in conjunction with the University of Newark. Plans for the 1939-40 program have been completed. The courses of last year will be repeated at Newark, Hightstown and Atlantic City. An advance course will be provided at Newark taking fire insurance this year, casualty next, with inland marine, surety

ark taking nre insurance this year, cas-ualty next, with inland marine, surety and general the third year. E. M. Schmults, chairman B.D.O. committee, recommended that the casu-alty branch establish a similar undertak-

W. A. Schaefer, as chairman of the compensation committee, said that the commissioner of labor has welcomed the suggestion of the committee that the law be amended to provide that public officials who issue licenses, permits or make any purchases or contracts must see to it that compensation insurance is see to it that compensation insurance is in force during the period of the permit, license or contract and that the goods or supplies furnished are produced by a concern that carries compensation.

H. L. Brooks, chairman dental committee, referred to the plan that was developed covering the writing of professional liability incurrence for many developed.

fessional liability insurance for members of the New Jersey State Dental Asso-

Complains of Early Payments

Commissioner Loveioy of Maine has issued a warning against abuse of the state's 45-day law on payment of fire losses. The law prescribes that adjustments shall begin within 20 days after receipt of notice but that payments shall not be made until the expiration of 45 days from the date of filing of the loss statement. It also provides that the 45-days law may be varied upon amplicaday law may be waived upon applica-

Mr. Lovejoy states the law is not being complied with, that abuses are far reaching, and that suspension of license may result from violation His order

"Request for waiver should be made only in cases of destitution or general emergency. If evidence is received by emergency. If evidence is received by us that waivers are requested for the purposes of competition, or other unfair or unjustified reasons, the one requesting the waiver will be called upon to show cause why license should not be suspended. The person signing the request for waiver will be held accountable to this department in case waiver is granted, and we would suggest that complete knowledge be had before waiver is requested."

N. J. Association Maps **Broad Educational Plan**

NEWARK-The New Jersey Association of Underwriters will conduct, in conjunction with the University of New-ark, a broad 1939-1940 educational pro-gram. Registration commences Sept. 11

gram. Registration commences Sept. 11 and continues to Sept. 25.

Two new courses has been added this year, one being the advanced fire insurance course, which is believed to be the only course of its kind. Prof. L. J. Ackerman will conduct the course. Leon Ackerman will conduct the course. Leon A. Watson, expert Schedule Rating Office of New Jersey, will be in charge, assisted by Professor Ackerman and a group of associate lecturers. The course has been devised to take care of advanced students and those who had completed part of the educational program, and other agents and company men who might desire to take it.

The university has also added an insurance law course, which will involve

surance law course, which will involve a critical examination of the general legal doctrines governing insurance con-tracts. Warranties, representations and concealments will be thoroughly exam-ined and applied to the various fields of insurance. In addition the problem of agency and brokerage will be thoroughly discussed.

oughly discussed.

The course is intended to be helpful to the layman in understanding the legal effect of his policies, as well as being of use to claim men, brokers, agents and underwriters.

Explains Insurance to Kiwanians

Services of insurance to kiwanians

Services of insurance to business were outlined by H. D. Holmes, Summit, president New Jersey Association of Underwriters, in a talk before the Asbury Park Kiwanis Club. Mr. Holmes was in Asbury Park for the convention of the New Jersey association.

Urging his audience to resist the consumer cooperative movement by patronizing qualified local agents, Mr. Holmes pointed out the services of the National Board and other stock insurance organ-

Board and other stock insurance organ-





resident brokers licenses. All business placed in Maine must be placed by li-censed non-resident broker through a li-censed resident agent, he states. Each member of an agency firm or corpora-tion that is licensed as a non-resident must be named in the license and each active member must be named and the fee paid for each person so named. Each individual who enters Maine to solicit business must be licensed as a non-resi-

Sees Inconsistency on Part of Some Capitalists

Ralph G. Hinkley of Boston, New England manager of American, in ad-dressing the Kiwanis Club of Beverly, Mass., asserted that a few capitalists



RALPH G. HINKLEY

who are indignant because of the competition from non-profit cooperatives, at the same time insure in mutual insurance companies, which Mr. Hinkley char-acterized as consumer cooperatives. Mr. Hinkley said that these capitalists are attracted by the price appeal of mutuals, but he contended that the purchase of such insurance may not be the cheapest

in the end.
Mutual companies, he said, pay no income taxes and pay premium taxes on a lower basis than stock companies. Inasmuch as all consumer cooperatives claim exemption from taxation, if the amount of trade increases in consumer cooperaof trade increases in consumer coopera-tives, then the tax on the property owner or business man will be greater and the percentage of saving by becoming a member will disappear in increased

This should be a deciding factor with banks that carry foreclosed property as well as savings banks on the mutual plan. Even mutual banks, he said, are not merely consumer cooperatives. They are instruments of the capitalistic system and would have nothing left in which to invest if everything went on a cooperative basis.

Time Not Set for Meeting

The Rhode Island Association of Insurance Agents has not set the time and place for its annual meeting but it is usually held in November. Rhode Island does not make much pretentions in holding a convention. It has elec-tion of officers, some reports and con-cludes with a dinner. J. F. O'Donnell of Providence is president and E. B. Dane of Providence, vice-president.

Reports on Pa. Results in 1938

The Pennsylvania department has The Pennsylvania department has issued its annual report, showing that in 1938 the total premiums in Pennsylvania of stock fire companies amounted to \$46,864,153 and losses paid were \$16,563,671. Companies of foreign countries had premiums \$5,333,565 and \$1,893,468 1. Companies of foreign countries remiums \$5,333,565 and \$1,893,468 of the Ontario Fire & Casualty Insurance Agents Association will be held

On the Job



LEE H. TUCKER

Lee H. Tucker of Boston, executive Lee H. Tucker of Boston, executive secretary of the Massachusetts Association of Insurance Agents, will be a prominent factor in the Boston convention of the National Association of Insurance Agents the week of Oct. 2. Preliminary to the convention, however, he is doing yeoman service. He spent a year in Massachusetts State College and then transferred to Michigan State. and then transferred to Michigan State College where he was active in modernizing the facilities of its military depart-ment. When he returned from the war ment. When he returned from the war Mr. Tucker entered the Travelers training school becoming branch office cashier, serving at New Haven, Conn., and Grand Rapids, Mich. He later became membership secretary of the Kalamazoo, Mich., chamber of commerce, following which he was made field secretary for the National Exchange Club. He returned to insurance operating an agency at Toledo. O. In operating an agency at Toledo, O. In April of this year, he assumed his present position.

premiums \$31,461,724 and losses \$11,-

The total Pennsylvania premiums of mutual companies were \$11,086,416 and losses \$4,535,755. Premiums of other state mutual companies were \$4,380,214 and losses \$1,593,620.

The third annual field men's barbecue given by the Lubbock (Tex.) Insurance Exchange was held Sept. 6 at the Lubbock Country Club.

S. D. Stanson has retired from the Stanson-Heslop Agency, Akron, 0., and is succeeded by G. W. Missig.

CANADIAN

Maulson Dies in Toronto

Frank E. Maulson, well known fire insurance man, died in Toronto in his 63rd year. He was vice-president of the firm of Irish & Maulson and a director of the Excelsior Life. He started with the Sun as an inspector. Subsequently he became associated with Mark H. Irish and the firm of which he was vice-presiand the firm of which he was vice-presi-

Many British Columbia Reductions

VICTORIA, B. C .- The British Columbia Underwriters Association has duced fire rates at many points in the province in its program of downward revisions in recent months.

Ontario Agents Meet Oct. 19-20

in the Royal York Hotel, Toronto, Oct. 19-20. Charles Priestman, secretary, expects to have one or two well-known speakers from the United States.

H. F. Norman, who has been with the J. B. Sampson agency at Kingston, Ont., for three years, has become in-spector with the Phoenix of Hartford group.

J. A. L'Esperance, 52, secretary of the Montreal Fire Commissioners Court for over 20 years, died there.

MARINE

Alabama Sanctions Property Floater

Superintendent Julian of Alabama has repealed the ruling of Aug. 4, 1934, un-der which the writing of the personal property floater in the state was pro-hibited, and has issued regulations under which the form may now be sold in Alabama. The companies must file their rates for writing the floater "for the rates for writing the floater "for the purpose of preventing discrimination between policyholders of the same class." These filings may be made by any recognized rating association. Any company whose fire rates have been filed by any recognized rating association shall use the same fire and windstorm rates where writing the consecutive constitution. when writing the personal property floater.

The company is required clearly to state in the policy the rate and premium for the fire and windstorm portions and those companies whose fire and windstorm dailies clear through stamping offices located in Alabama are required to clear the personal property floater policy dailies through the same office for checking as to fire and windstorm rates only.

Companies that are not using rating bureau rates or rating association rates for fire and windstorm shall be required to apply the same fire and windstorm rates to the personal property floater as are applied to fire and windstorm poli-

INSTRUCT ALABAMA AGENTS

W. H. McGee & Co., the well known New York marine firm, conducted a one-day school for its agents in the Bir-mingham vicinity on the personal prop-erty floater. Talks were made by E. Dana Johnson, assistant secretary Mc-Gee & Co. and manager of the Atlanta office, and R. W. Grier, assistant Atlanta manager. A dinner was given at the close of the day.

Canadian Ships Under British Plan

MONTREAL-Canadian ships will come under the British war-risks insurance scheme for coverage against loss by enemy action in the period between the outbreak of war and the time the ships are able to reach a safe or neutral port, according to the Dominion department

Under the war risks insurance scheme the British government carries 80 per-cent of the liability of underwriters who are members of the war-risks associa-tions in the interval between the out-break of war and the arrival of ships in-sured in port, for damage from acts of the king's enemies.

Bailor-Bailee Reslationship

The United States district court for the southern district of New York had a case, Warshaw & Sons vs. Standard Marine where the bailor-bailee relationship was a factor. Certain rayon cloth was delivered to a dye company to be dyed and finished. It suffered water damage while in the dyer's hands.



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substance this was an action by the owner of the cloth for the benefit of the insurance company, whose policy in-sured the plaintiff's goods, to determine

sured the plaintiff's goods, to determine whether the company was to bear the loss or the company which insured the dye company was to be held liable.

The company insuring the dye company contracted to pay only the excess of damage not covered by other insurance. We stuck excess was disclosed in ance. No such excess was disclosed in this case. The coverage of loss or dam-age to the plaintiff's property while in the custody of the dyer and finisher was one of the essential purposes of the

standard marine policy.

The court held that no reason appeared why the Warshaw & Sons policy should be excused from recompense for the loss and damage.

Recall 10-1 Shot of World War

NEW YORK-The disturbed condition now existing in marine underwriting recalls an interesting happening in the early days of the world war. A broker's important client becoming anxious over the non-arrival of a vessel upon which the importer had a valuable cargo, desired to secure an additional \$1,000,-000 of coverage. As the carrying steamer was minus radio equipment and it was 10 days overdue, marine offices refused flatly to consider the line, re-gardless of the premium the importer gardless of the premium the importer was willing to pay. Finally one of the companies, famous in those days for its willingness to "take a chance," stated it would assume the \$1,000,000 risk, providing it received before the close of banking hours the same day, a certified check for \$100,000. This was promptly check for \$100,000. This was promptly furnished, and was net to the company, the broker waiving any commission. Despite the heavy odds apparently against it the insurance company won out handsomely, the belated vessel limping into port with cargo undamaged, at 8 o'clock the same night.

Local Agent Needs to Make Survey of His Own Picture

(CONTINUED FROM PAGE 31)

who, with a grin, would say, 'Mister, you need it. I've got it. Will you buy it from me?' This is not to be taken literally, of course, but it illustrates the point which is brought out in the next

question in our survey:
"Do I always close my sales presen tation with a brief review of the high points, with a carefully thought-out-plan for influencing the prospect to say to himself, 'I need the coverage and will buy it now?'

The Inside Office Job

"We now come to the second group of the problems of agency management and operation, which we might call the 'inside job.' While production is the prime interest of every agent, the efficient and economical handling of office detail is no less vital to the success of his business Indeed, many successful agents who now are concerned because of diminishing earnings might do well to turn their attention to the possibilities of stopping leaks in the profits by a survey of the machinery inside the office. This machinery, functioning properly, will give the agent a ready reference to all policies in force for each customer, will bring to his attention a record of each policy in advance of expiration, will remind him of premiums due from cus-tomers, and will give him a summary of net premiums written, net commissions thereon, and a tabulation of expense. Another part of the inside job is the prompt and accurate writing of policies and endorsements, and the furnishing of courteous and intelligent responses to inquiries. Time will not permit more than a listing of the questions, which conscientiously answered, will develop many of those weaknesses found in the

internal machinery of an agency. Our

first question is:

"Are you satisfied that your employes have a sufficient knowledge of their du-ties to render efficient service and do they appreciate the part they play in creating a pleasing office personality?"

ing a pleasing office personality?"

"Does the appearance of my office create the impression that it is up-to-date and managed efficiently?"

"Are policies correctly and neatly typed?"

"Is the filing system I am using one that permits speedy filing and finding, and is it simple enough for the average employe to operate with a minimum of supervision?"

"Do I employ an 'assured's folder' or 'line record' system which permits me or any one of my employes to determine readily all policies written for each of my clients?"

Have I an accounting system which is simple, yet sufficiently complete to tell me what I own, how much I owe, how much is owing to me, what my actual net worth is, whether I am operating at a profit, how much I earn, and what my expenses are?"

War Sabotage Cover Placed on Market

(CONTINUED FROM PAGE 3)

destine act," and "loss caused by any acts of individuals or groups which are not committed during and in connection with operation of military or naval operation of military or naval I forces in the country where the armed described property is situated." These last hazards are covered by the new "broad" vandalism and malicious mischief endorsement to the riot and civil commotion policy

Non-cancellable Period

The policy provides that it cannot be canceled by the assured or by the company for one month from inception date. For an additional premium, it states that the non-cancellable period may be extended. The Explosion Conference bul-letin announces that the maximum non-

letin announces that the maximum non-cancellable period will be six months. The Explosion Conference stated that the rate schedule would be promulgated probably at the end of this week. Rates on specific risks requiring immediate attention will be quoted directly in the meantime. The rates were stated to range from 5 cents to 75 cents, with 50 percent coinsurance, with provisions for higher and lower coinsurance requirepercent consurance, with provisions for higher and lower coinsurance requirements. There will be two zones, coastal, gulf and Mexican border states being in the high rated zone 1. Occupancy and construction will also affect the rating. Premiums will be required to be paid to the home or departmental office within 15 days from inception date, with a minimum retained premium of \$5 per policy regardless of term. Agency composition of the property of the propert policy regardless of term. Agency com-mission was announced as 15 percent, including not to exceed 10 percent bro-

Riot Policy Amended

Three new endorsements to the riot Three new endorsements to the riot and civil commotion policy have been published. The mandatory endorsement for all riot policies, brought out in May, 1938, which specifically included damage done by sitdown strikers and reworded it war risk exclusion to make sure that "undeclared wars" would be excluded, has been replaced by a new mandatory endorsement. This includes the assumption of sitdown strike damage and the tion of sitdown strike damage and the removal of "insurrection" as a peril cov-ered, but rewords the war risk exclusion so that sabotage by agents of govern-ments or war or rebellion by parties or

The new "broad" vandalism and ma-licious mischief endorsement is the same as the old standard endorsement except that sabotage by government, party of faction agents is included. A "limited" vandalism and malicious mischief en-dorsement gives the old vandalism coverage, with a specific exclusion government or party sabotage. It

expected that this last endorsement will take the same rates now charged for vandalism insurance.

No rates have been announced as yet for the new "broad" vandalism endorsement, which includes war sabotage.

Below is shown in full the wording the three new endorsements for the riot and civil commotion policy published by the Explosion Conference.

The following endorsement is to be attached to all riot and civil commotion

policies, superseding the present en-dorsement published in the spring of

Mandatory endorsement, riot and civil commotion policies.

For the purposes of this policy the terms "riot" and "riot attending a strike" are hereby held to include direct loss or damage by acts of striking employes of the owner or tenant(s) of the described building(s) while occupied by said striking employees excluding, however, loss resulting from damage to or destruction of the described property owing to change in temperature or interruption of operations when such change in temperature by striking employees.

by striking employees.

The term "insurrection" wherever used in this policy is hereby eliminated, and the paragraph of this policy read-

ing—
"This company shall not be liable for

"This company shall not be liable for loss or damage covered under any fire or other kind of insurance contract; nor for loss or damage caused by military or naval forces of foreign enemies, any condition of this policy to the contrary notwithstanding." is hereby amended to read—

This company shall not be liable under this policy for loss covered under any fire or other kind of insurance contract; nor for loss which either in origin or extent is caused by war, invasion, civil war, insurrection, rebellion, revolution or other warlike operations, (whether war be declared or not), or civil strife arising therefrom; nor, unless otherwise provided by endorsement attached to this policy, for loss caused by acts committed by the agent of any government of any party or faction engaged in war, insurrection, revolution, civil war, insurrection, rebellion, revolution or other warlike operations (whether war be declared or not), or civil strife arising therefrom, except that the foregoing is not intended to deny liability for loss by explosion not occurring during and in connection with operations of military or naval armed forces in the country where the described property is situated.

The "broad" vandalism endorsement, including sabatage is as follows:

The "broad" vandalism endorsement,

including sabotage, is as follows: Endorsement extending riot and civil commotion policy to cover loss caused by vandalism and malicious mischief. (Broad





surrection, rebellion, revolution or other warlike operations (whether war be de-clared or not), or civil strife arising therefrom:

(e) nor, unless otherwise provided by

therefrom;

(e) nor, unless otherwise provided by endorsement attached hereto, for any loss of use or any other consequential or indirect loss of any kind.

In no event shall this company be liable under this policy, as a result of any or all hazards and/or perils covered thereunder, for an amount in excess of that for which this policy is written, nor for a greater proportion of any loss by vandalism and malicious mischief than the amount of riot and civil commotion insurance under the policy to which this endorsement is attached shall bear, (1) to the amount of insurance required to comply with the average, coinsurance, reduced rate contribution, or guaranteed amount of insurance clause, if any, contained in such policy; or (2) to the total amount of riot and civil commotion insurance covering the interest insured amount of rlot and civil commotion insurance covering the interest insured under said policy whether valid or not and whether collectible or not, irrespective of whether all of the riot and civil commotion insurance, by extension or otherwise, covers against loss by vandalism and malicious mischief, or (3) to the total amount of vandalism and malicious mischief, unsurance whether validations mischief insurance whether valid licious mischief insurance whether valid or not and whether collectible or not.

Limited Vandalism Endorsement

The new "limited" vandalism endorse-

lism and malicious mischief, subject the following limitations and condi-

'term "vandalism and malicious mischief" as used herein is restricted to and includes only wilful and malicious physical injury to or destruction of the

described property.
This company shall not be liable under this endorsement for any loss
(a) to glass constituting a part of the

(a) to glass constituting a particular form fire, explosion, pilferage, theft, burglary or larceny;
(c) from depreciation, delay, deterioration and/or loss of market;
(d) from war, invasion, civil war, insurrection, rebellion, revolution or other warflike operations (whether war be declared or not), or civil strife arising therefrom;

(e) caused by acts committed by the egent of any government (de facto or otherwise), or by the agent of any party or faction engaged in war, invasion, civil war, insurrection, rebellion, revolution or other warlike operations (whether war be declared or not), or civil strife arising therefrom:

be declared or not), or civil strife arising therefrom;

(f) nor, unless otherwise provided by endorsement attached hereto, for any loss of use or any other consequential or indirect loss of any kind.

In no event shall this company be liable under this policy, as a result of any or all hazards and/or perils covered thereunder, for an amount in excess of that for which this policy is written, nor for a greater proportion of any loss by vandalism and malicious mischief than the amount of riot and civil commotion insurance under the policy to which this endorsement is attached shall bear, (1) to the amount of insurance required to comply with the average, coinsurance, reduced rate contribution, or guaranteed amount of insurance clause, if any, contained in such policy; or (2) to the total amount of riot and civil commotion insurance covering the interest insured under said policy whether valid or not and whether collectible or not, irrespective of whether all of the riot and civil commotion insurance, by extension or otherwise, covers against loss by vandalism and malicious mischief insurance whether valid or not and whether collectible or not.

F. S. Pelton, independent adjuster in

F. S. Pelton, independent adjuster in and for a number of years, died He was a member of the Ohio there. Blue Goose

J. P. Hershberger of Columbus, Ohio state agent Royal-Liverpool, is confined to his home with a severe attack of to his

Blue Goose Grand Nest Sets Record

(CONTINUED FROM PAGE 5)

Fireman's Fund in Chicago and later in the Minnesota field before his connection with London Assurance. When the Minnesota State Fire Prevention Association was organized in 1910, he was named secretary and later served for

several years as its president. He several years as its president. He served as most loyal gander of the Min-nesota pond in 1926. For a number of years he taught fire insurance in the general extension division of the Uni-

versity of Minnesota.

Mr. Law was nominated by P. A.
Enck, Minneapolis general agent and
Minnesota most loyal gander. The new
officers were installed by W. T. Benal-

Kentucky pond was most effective. The members of the initiation team were atmembers of the initiation team were attired as Kentucky colonels wearing outfits consisting of wide brim soft gray hats and black cutaway coats and trousers, each wearing a mint sprig in his lapel, and a complete set of side and Enck, Minneapolis general agent and Minnesota most loyal gander. The new officers were installed by W. T. Benallack, secretary Michigan Fire & Marine, Detroit, past most loyal grand gander. The model initiation put on by the

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Meeks, Fidelity & Guaranty Fire, guardian; C. B. Tarter, Home of New York, keeper; E. C. Hill, Aetna, wielder, and Carl Buetenbach, Jr., foreman of the guards

Four Candidates for Initiation

Candidates for initiation were S. M. Candidates for initiation were S. ar. Buck, vice-president Great American, Chicago; J. A. Lloyd, Ohio superintendent of insurance; C. A. Lawton, Jr., Marine Office of America, Central City, Ky., and Frank M. James, Loyalty group, Louisville.

Grand nest memorial services are al-Grand nest memorial services are always impressive. H. E. Adamson, Jr., Western Adjustment, Cincinnati, gave the necrology, assisted by Mrs. Katherine Rielage Rahtz. The soloist was R. W. Moon, Pearl, Indianapolis, his accompanist being Miss Maxine Roberts. Grand Custodian B. S. McKeel presented the membership cup to R. R. Deen, representing the Alamo pond, which had the largest percentage increase in its membership the preceding

crease in its membership the preceding

Grand Wielder R. A. Kenzel revealed

Grand Wielder R. A. Kenzel revealed a most satisfactory financial state of the order. Market price of investments is considerably more than cost.

Welcomes were extended by T. M. Geoghegan, president Cincinnati Fire Underwriters Association, which was host at a cocktail party; T. O. Dye, Connecticut Fire, Columbus, Ohio, most loyal gander; A. C. Guy, Western Adjustment, Columbus, in charge of the arrangements, and Mayor Stewart of Cincinnati.

BLUE GOOSE JOTTINGS

The gavel used at grand nest meetings The gavel used at grand nest meetings is one of three similar gavels made from a timber of the Oakwood Hotel, Green Lake, Wis., where the order was organized in 1906. R. E. Richman, The National Underwriter, Boston, happened to be in Green Lake at the time the building was being torn down. He had the three gavels made, presenting them to the Ohio pond. The Ohio pond, in turn, gave one to the grand nest, one to the Kentucky pond, and retained the remaining one for itself.

maining one for itseif.

Three of the past most loyal grand ganders were present, W. T. Benallack, Michigan Fire & Marine, Detroit, 1912; T. R. Phillips, America Fore, Oklahoma City, 1936, and J. C. Buchanan, Inter-Insurance Exchange of the Automobile Club of Southern California, 1938.

s. F. Le Riche, Union of Paris, Montreal, was the leader in a spirited "Alluette, Alluette" in which a number of the Canadian ganders assisted, at the cocktail party given by the Cincinnati Fire Underwriters Association.

Company officials included S. M. Buck vice-president Great American, Chicago William Quaid, vice-president Home of New York, and J. H. Burlingame, Jr., assistant general manager Western Ad-justment, Chicago.

Mayor James Garfield Stewart of Cincinnati proved a tremendous hit at the convention and seemed to enjoy the time he spent with the ganders. He made a fine welcoming address and also spoke at the banquet. He said that in contrast to the usual conventions (he spoke at 132 in 1938) he knew quite a bit about the Blue Goose and was acquainted with it as far back as 1909, since a classmate of his at Kenyon college, Convers Goddard, now a Chicago broker, was one of the first members of the order.

The Indiana Giec Club, made up of

The Indiana Glee Club, made up of members of the Indiana pond, broadcast over a nationwide Mutual Broadcasting System hookup at the banquet. This fine organization, under the management of R. W. Moon, Pearl Assurance, and Hugh Mason, choral director, added much to the entertainment. Mr. Moon much to the entertainment. Mr. M sang several solos in addition to group singing.

Clarence Cobb of the well known Cobb & Stebbins general agency, Denver, was one of the delegates of the Colorado pond. He nominated H. A. Reynolds for grand guardian.

Much credit is due A. C. Guy, Western Adjustment, general chairman, and B. F. Flood, Royal-Liverpool, executive secre-

mill Market Those who make an art of living depend on this world famed hotel as the very embodiment of gracious service, true refinement and dignified hospitality. The Blackstone

Kentucky Colonel Initiation Team



Pictured are members of the Kentucky pond's Kentucky colonel initiation team which proved a hit at the Blue team which proved a hit at the Blue Goose grand nest meeting at Cincinnata. The group includes J. V. Bowman, Fire Association, presiding most loyal gander; H. W. Robertson, Hanover, most loyal gander giving charge; C. E. Fieldhouse, Home of New York, supervisor; E. C. Knoop, Aetna, custodian; R. L. Meeks, Fidelity & Guaranty Fire,

guardian; C. B. Tarter, Home of New York, keeper; E. C. Hill, Aetna Fire, wielder; Carl Buetenbach, Jr., general agent, foreman of the guards; G. B. Akin, Royal Exchange, John Hommes, Kentucky Actuarial Bureau; F. R. Macpherson, New Hampshire, T. J. Nichol, Aetna Fire; J. R. Thompson, local agent, and R. C. Wade, State of Pennsylvania, guards, and T. W. Schulze, Yorkshire, accompanist.

tary, of the Ohio pond grand nest committee, and their 257 committee members who assisted with arrangements, for the smooth and efficient manner in which events were run off.

W. T. Benallack was active in the discussions. Mr. Benallack nominated both J. R. Knowlan for most loyal grand gander, and C. J. Malcolm for grand guardian. In the latter case, in Benallackesque fashion, the nomination was in verse.

was in verse.

One of the most impressive moments of the meeting was the opening session when the national anthems of the United States and Canada were played with spotlights turned on the flags of the two countries floating in the breeze of batteries of electric fans. On either side of the United States flag, in full dress uniform, a soldier and marine stood at attention, and on either side of the Canadian flag, a soldier and a Highlander. Large framed pictures of President Roosevelt and King George VI stood near the flags. the flags

Many favorable comments were made on the attractive and interesting program, which was the work of A. S. Snow, Camden, Columbus, keeper of the Ohio

R. W. Hukill, Great American, retiring most loyal grand gander, was given a handsome onyx desk set by the grand nest officers who were associated with him during his tenure of office, the presentation being made by his successor, J. R. Knowlan, Philadelphia, at the banquet. From the Quebec pond, Mr. Hukill received a specially minted Canadian silver dollar struck off to commemorate the visit of King George and Queen Elizabeth to Canada. The coin was mounted in a box with an engraved silver plaque, the presentation being made by E. P. Beauvais, Montreal Securities Corporation. Mr. Hukill had attended the silver anniversary of the Quebec pond and the gift was in appreciation of his work and a memento of his visit. R. W. Hukill, Great American, retiring his visit.

There was a prolonged discussion on membership pins on both days of the formal business sessions. It centered chiefly on whether the present blue goose symbol used for the pin is an authentic reproduction of a blue goose in flight. The question was finally turned back to the emblem committee, of which W. T. Bennlinck is chairman, to select a pin representing an authentic blue goose.

H. W. Rollins, Boston and Old Colony, Columbus, presented two stuffed blue geese to the grand nest which were displayed during the sessions on either side of the speakers' table and will henceforth be a permanent fixture at grand nest meetings.

R. C. Geiger, Western Adjustment, Dayton, won the Cincinnati Fire Underwriters Association golf trophy and first prize for low net; blind bogey winners included W. W. Waters, Ohio Farmers, Columbus, first; G. S. Valentine, Jr., Ohio Farmers, Columbus, second, and R. W. Hukill, third Hukill, third.

Mr. and Mrs. David A. Zeiser, Kentucky state agent Great American, were

the newlyweds of the meeting, having been married the day before the convention opened.

The Ohio Farmers delegation included C. D. McVay, vice-president; J. C. Hiestand, secretary, and G. S. Valentine, assistant secretary.

Representing American National Fire, Columbus, were W. O. McClelland, vice-president and secretary, and R. T. Huggard, vice-president.

Reginald Creighton, rating board, Calgary, gave a colored photograph of two blue geese which are maintained there at the Inglewood bird sanctuary by his pond to R. W. Hukill. Mr. Creighton is deputy most loyal grand gander at large for Canada.

In addition to Vice-President S. M. Buck, the western department of Grent American was represented by Carl Ingram, secretary; Eugene McAdow, assistant secretary, and G. W. Funk, agency superintendent, who was most loyal gander of the Ohio pond in 1923.

H. R. Underwood, Providence Washington, Columbus, most loyal gander Ohio pond 1934-1935, and Mrs. Underwood observed their 15th wedding anniversary during the meeting.

The **ladies** were out in force and there were two attractive tea tables. Bridge prize winners included Mrs. F. A. Dickerson, Cleveland, first, and Mrs. J. W. Besterson, man, Indianapolis, second, auction; Mrs. C. D. Lamb, Columbus, first, and Mrs. F. D. Hawkins, Kansas City, second, contract. Mrs. L. A. Finch, Cincinnati, was in charge of the ladies' arrangements, the table flowers coming from her cardon.

The young people attending the convention spent their evenings together and thoroughly enjoyed themselves, the arrangements being made by Miss Margaret Anne Hukill.

Oklahoma Deviations Approved

OKLAHOMA CITY — A deviation rate filing was granted by the Oklahoma insurance board to the Connecticut Ininsurance board to the Connecticut Indemnity for private passenger automobiles in Oklahoma, effective Aug. 1. The approved deviation rate on Class A cars, which includes all private passenger cars not used for business purposes except to convey the operator to and from his place of business, was reduced 30 per cent from manual rate. This class also includes cars owned by farmers of also includes cars owned by farmers or clergymen. This is the same as the Na-tional Bureau's A classification, for which a 20 percent discount is given. A 25 percent reduction from manual

rates was approved on Class B cars.
The Equity Mutual of Kansas was also granted a deviation of 15 percent off of the base rate and 20 percent off that rate for Class A cars and 25 percent for Class B, both effective

Aug. 1.
A hearing is set for Sept. 11 on the advisability of increasing the rate on Class 5 long haul trucks.



Organized 1875



ACCIDENT AND CASUALTY INSURANCE COMPANY OF WINTERTHUR, SWITZERLAND

111 JOHN STREET NEW YORK

United States Branch

CONDENSED

STATEMENT

DECEMBER 31, 1938

ADMITTED ASSETS

U. S. Treasur	уВ	on	ds									\$1,600,823.52
Other Bonds .												1,206,532.48
Stocks												96,566.00
Other Assets .	•	•		•	٠	٠	٠	٠	٠	•	•	466,428.80
Tot	al		•		•	•	٠	•	•			\$ 3,370,350.80
Reserves:			I	.IA	A B	IL	IT	IE	ES			
Voluntary	Cor	ıtiı	nge	enc	y							\$ 224,299.34
Other Liab	iliti	es									٠	646,051.46
Statutory 1	Dep	osi	t v	vit	h							
New You	-k						25	0	00	0 (0.0	

Policy Holders' Surplus 2,500,000.00

Deposit 1,650,000.00

Net Surplus over

Total \$3,370,350.80

Bonds and Stocks owned are valued in accordance with requirements of New York State Insurance Department and National Association of Insurance Commissioners. Securities carried in above Statement at \$1,355,063.27 are deposited as required by law.



NEAL BASSETT, U. S. Manager
OGDEN DAVIDSON, U. S. Assistant Manager
CHARLES A. BARKIE, U. S. Assistant Manager
OWEN F. A. HIGGOTT, U. S. Branch Treasurer





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fessional man who advises shrewd businessmen on a technical, involved subject. And there's an art to offering that service so that it sounds as valuable as it really is.

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